VOLUME V

APPENDIX

Supreme Court of the United States

October Term, 1968

No. 24

Federal Trade Commission, petitioner

v.

Texaco, Inc., and The B. F. Goodrich Company

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT.

PETITION FOR CERTIORARI FILED JANUARY 25, 1968
CERTIORARI GRANTED MARCH 11, 1968

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JAX 423

Respondents' Exhibit 2A

(8980)

THE TEXAS COMPANY

New York, N. Y., December 11, 1953

TBA PROGRAM
STATEMENT OF POLICY

CIRCULAR LETTER No. 557

Messrs. R. R. Kibbe
J. A. Winger
C. N. Brooks
D. E. Beaton

Gentlemen:

This letter replaces and cancels Circular Letter No. 524 of December 19, 1951, under the above subject. It does not introduce any change in our policy of long standing, but is intended to:

A. Assist our personnel in presenting the merits of the program to dealers by stating the reasons for recommending Firestone or Goodrich as a supplier.

B. Define Division Management's responsibilities in administering the TBA program.

C. Outline the duties and responsibilities of field personnel charged with carrying out the program in the field.

(JAX 423 *continued on next page*)

Respondents' Exhibit 2A

I. What the Texas Company's TBA Program Is

The aim of the Company's TBA program is to encourage dealers to expand their business beyond the sale of petroleum products; and to counsel with and continually assist Texaco dealers to establish and maintain superior service to their customers, maintain an adequate and balanced stock of fast-moving TBA items and to improve their methods of merchandising so that they will be able to take full advantage of the profit potentials available to them through good service station operations.

Accordingly, The Texas Company recommends that its dealers handle Firestone or Goodrich. However, notwithstanding the fact that the Company recommends to its dealers these certain lines of TBA merchandise, it should be clearly understood by all concerned that the Company has neither the right nor the desire to dictate to the dealer the brand or type of merchandise he should handle, or the source from which he should purchase such merchandise, or to require him to handle any TBA merchandise.

Respondents' Exhibit 2B

(8981)

RRK-JAW-CNB-DEB—#2

II. Why Firestone and Goodrich Lines Were Selected for Recommendation to Texaco Dealers

The TBA merchandise lines and merchandising policies of both Firestone and Goodrich offer many advantages to the dealers, including a complete line of high quality automotive products to meet practically all the needs of the motorist. Firestone and Goodrich products have national acceptance, backed by extensive national advertising, and are distributed in all 48 states, with sales and delivery service available through 1,266 salary operated supply points and numerous dealer operated stores carrying the complete line.

Another advantage of handling these lines is that the dealer can purchase his entire TBA requirements from one source, conveniently located, thus earning extra discounts through volume purchases. Both Firestone and Goodrich have extensive sales promotion programs designed expressly to fit the needs of their service station accounts. Point-of-sale promotional material and cooperative advertising are available on a low-cost or no-cost basis. They also have a large sales force fully trained to assist the service station dealers to make the most of their TBA opportunities.

All these factors tend to increase the saleability of Firestone and Goodrich products, and thus increase the profits of the dealers handling such lines.

(JAX 424 *continued on next page*)

Respondents' Exhibit 2B

III. Responsibilities of Division Management in Administering the TBA Program

The proper administration of The Texas Company's TBA program in the field is the direct responsibility of Division Management. They should see to it that each member of the field organization who normally contacts dealers, consignees and distributors:

(1) Understands that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

(2) Becomes familiar with the lines and basic sales policies and promotional and merchandising programs of Firestone and Goodrich, including their Suggested Basic Stock Assortment and Inventory Guide Systems.

(3) Handles assigned duties outlined in Section IV.

Respondents' Exhibit 2C

(8982)

RRK-JAW-CNB-DEB—#3

IV. Duties of Texaco Sales Personnel Charged With Handling TBA Program in the Field

Listed below are the responsibilities and activities which are part of the regularly assigned duties of selling personnel who normally contact dealers, consignees or distributors:

(1) Present the merits of our TBA program, recommending the products of Firestone or Goodrich if best suited to the dealer's interest.

(2) Recommendations with respect to TBA merchandise made by a Texaco representative to a Texaco dealer should in the best interest of the dealer take into consideration the following factors:

(a) The dealer's requirements based on an analysis of the potential volume available within the dealer's specific trading area;

(b) The availability of a convenient source of supply and the frequency of contact and type of service to be afforded the dealer by a wholesale supplier, as well as the supplier's ability and willingness to assist the dealer to be competitive in the market at all times;

(c) The established representation of the tire company in the area.

(JAX 425 *continued on next page*)

Respondents' Exhibit 2C

(3) If, after a straightforward sales presentation of the Company's TBA program, and a full explanation of the merits of such program, the dealer should in exercising his free choice of a brand of TBA merchandise express his preference for the Goodrich or Firestone line, the Texaco representative should promptly arrange to introduce to him a sales representative of the supplier chosen by the dealer. It should be recognized at all times that the negotiations between the dealer and the tire company representative, and any purchase arrangements resulting therefrom, are matters for their mutual consideration. The Texaco representative, however, should be prepared and willing to lend any advice and counsel that may be requested of him by the dealer during such negotiations.

Respondents' Exhibit 2D

(8983)

RRK-JAW-CNB-DEB—#4

(4) In an effort to help dealers expand and develop their business, the Company urges them to stock an adequate amount of TBA merchandise to serve fully the motorists' needs. Texaco selling personnel, with the dealers approval, will assist in the physical installation of an "Inventory Guide System", and continue to assist in the maintenance until its use is habitual with the dealer, regardless of the brand chosen by the dealer. The Firestone or Goodrich "Suggested Basic Stock Assortment and Inventory Guide System" is considered among the simplest methods available to assure the maintenance of a well-balanced stock of fast-moving TBA merchandise, and dealers should be advised of this and urged to consider its installation and use.

(5) Similar guidance and assistance should be offered in the use and maintenance of TBA display programs, and dealers should be urged to utilize all appropriate space available to them in building displays that will attract customers and increase sales.

(6) The Company's sales personnel should be sufficiently alert at each visit to a service station to call the dealer's attention to their willingness to aid him by actually writing up the dealer's order for Goodrich or Firestone merchandise. As a further assistance to the dealer, Texaco personnel should personally mail or deliver such orders to the dealer's source of supply.

(JAX 426 *continued on next page*)

Respondents' Exhibit 2D

Orders should be written on the forms furnished by Firestone and Goodrich and carried by Texaco personnel at all times.

(7) Although reference is made heretofore to dealers, it should be understood that every phase of the program is adaptable to TBA programs of consignees and distributors. Equal effort should be made by the Company's personnel to sell consignees and distributors on the merits of the program and the benefits to be derived by adopting it for their own use and wholeheartedly encouraging the dealers they serve to use it.

The importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment with respect to the brand of TBA merchandise he will handle, and the quantities he will purchase, cannot be overemphasized. Insofar as The Texas Company is concerned, no TBA supplier shall be preferred over any other as to any territory or portion thereof.

Respondents' Exhibit 2E

(8984)

RRK-JAW-CNB-DEB—#5

The success of the TBA Program depends upon the kind of a selling job that is done. The principles of the Texaco Selling Method are sound and appropriate, and should be applied as wholeheartedly in handling this program as in all other sales efforts.

Yours very truly,

C. B. Barrett

CBB-MJD

SCB WBH RWD CHD JEF
NB JMG WFW DWS FMH GWS FER
KK

Respondents' Exhibit 3

(8985)

(COPY)

"OUR FORTY-SECOND YEAR WITH TEXACO"

June 20, 1956

Federal Trade Commission
Washington 25, D. C.
ATTENTION: Peter J. Dias
Trial Attorney

Gentlemen:

I have your complaint with reference to the B. F. Goodrich Company, et al., Docket No. 6485 and have noted same most carefully.

I am enclosing herewith a copy of your letter with the questions answered. I am giving you just a little history of my dealings with The Texas Company. In 1914 they set me up as just a little Distributor and I have kept on with them, this being the forty-second year. I have added to my line during this time, and today we have U. S. Tires, Exide Batteries, and N.A.P.A. Parts line. We have never purchased any B. F. Goodrich or Firestone products. I have been asked if I would like to handle Firestone through the Texas Company with no pressure at all put on me to do it. The Texas Company has never high pressured me during the forty-two years I have been dealing with them. I cannot make any complaint at all against them today.

(JAX 428 *continued on next page*)

Respondents' Exhibit 3

I have around one hundred outlets handling their products in addition to farm trade. I have about fifteen hundred accounts, and our purchases are supplied by the Texas Company.

Of course, other oil companies have attempted to sell us their products but we are sold completely on The Texas Company and their employees. We think they are the best, based on the way they have handled us during this time. If I can be of any more service, please advise.

Yours very truly,

H. C. Watson

HCW:mm
Enc.

JAX 499

Respondents' Exhibit 4

Rx 4

FEDERAL TRADE COMMISSION

WASHINGTON 25

BUREAU OF LITIGATION

June 18, 1956.

Mr. H. C. Watson,
Onley, Virginia.

In re: The B. F. Goodrich Company, et al.,
Docket No. 5485.

Dear Mr. Watson:

Complaints, including one in the above-entitled matter, currently pending before the Commission, are intended to determine whether operators of major oil company petroleum outlets are independent businessmen with complete freedom of choice as to the products which they stock for resale or are obliged to handle products chosen for them by the respective oil companies.

It would be helpful, in arriving at some determination of this matter, if you would answer the following questions:

1. Type outlet: (a) Consignee (b) Distributor

   (c) Service Station (d) If service station: lease contract

2. Date present operator acquired the outlet.

3. Name of former operator, if known.

4. (a) Do you carry TBA products? yes

   (b) What is your principal line of:

   (1) Tires
   (2) Batteries
   (3) Accessories

5. When did you first take on these lines?

Enclosed please find a copy of the Commission's complaint in this matter. It would be helpful if, when answering the above questions, you would submit any additional comments you care to make in regard to the complaint.

Your prompt cooperation in this matter is anticipated and will be appreciated. An extra copy of this letter, which you may use in replying, is enclosed for your convenience.

Very truly yours,

Peter J. Liss,
Trial Attorney.

8966

Enclosures.

Respondents' Exhibit 6A

(8987)

THE TEXAS COMPANY

New York 17, N. Y., June 1, 1948
SERVICE STATION OPERATIONS

Messrs. R. R. Kibbe (6)
S. C. Bartlett (6)
C. B. Barrett (6)
D. E. Beaton (6)

Gentlemen:

The petroleum trade journals during the past several weeks have been carrying reports of the anti-trust suit being conducted by the Government against the Standard Oil Company of California. One of the principal items of discussion in this suit is the question of influence being exerted by the petroleum supplier on the gasoline dealer to have him purchase directly or indirectly certain items for resale through the dealer station. In view of this it seems advisable to restate our policy.

With all of our dealers, whether they are operators of Company owned or Company leased service stations or dealers operating their own service stations, we have a sales contract which provides for the purchase by the dealer of certain estimated quantities of Texaco products. This contract does not prevent the dealer from purchasing competitive products in addition to Texaco products, though generally the dealer recognizes that there are definite advantages in handling one nationally advertised line of petroleum products.

(JAX 430 *continued on next page*)

Respondents' Exhibit 6A

A Texaco dealer is an independent businessman and he is entitled to conduct his business according to his own desires. Our men are expected to help the Texaco dealer to improve his business and make many helpful suggestions to that end. They may explain to the dealer the advantages of tying-in with a national program developed for the more than 40,000 Texaco Dealers throughout the country, but it is not in accord with the dealer's contract with The Texas Company to infer or indicate to a Texaco dealer directly or indirectly that any purchase by him of any type of merchandise from any supplier whatsoever will result in a reduction of the supply of petroleum products available to him or in a cancellation of any sales contract or lease agreement that may be in effect or in any other event which will make him feel that more persuasion is being exercised by us than would normally and properly be used by us toward a customer.

The Texas Company does not sell tires, tubes, batteries, accessories or items other than petroleum that might be sold through a service station, but we recognize that it is to the advantage of the dealer to handle such merchandise in order to increase his earnings and enable him to have a more profitable operation. In fact, we encourage the dealer to expand his business beyond the sale of petroleum products for those reasons, and because, in the case of a Company owned or Company leased service station which has been leased to the dealer for operation, it means a more profitable venture through our facilities and eventually increases our earnings as well as the dealer's through that location.

Respondents' Exhibit 6B

(8988)

MESSRS. RRK-SCB-CBB-DEB

6-1-48

Even though we urge and encourage the dealer to handle merchandise other than petroleum products, we have neither the right nor the desire to dictate to him or influence him in any way as to the type of merchandise he should handle or the source from which he should purchase it. We can and do recommend certain lines which we feel fit into the program of handling such nationally advertised products as Texaco, but our representatives are not to exert any influence upon the dealer to have him follow our suggestions.

We frequently install fixtures and display shelves at Company owned or Company leased service stations for use by the dealer in selling merchandise, and we should urge the dealer to use those facilities to increase his earnings and to keep on hand at all times a satisfactory amount of merchandise of the proper type, but again no pressure is to be put on the dealer to do so. There is no objection, after proper facilities for the sale of tires, tubes, batteries, and accessories have been provided at a service station, to our representatives introducing to the dealer a salesman who has such items for sale, or even of recommending to the dealer that he give consideration to the purchase of that salesman's merchandise, but it must be borne in mind at all times that after the introduction the negotiations and arrangements between the dealer and the TBA salesman are not to be interfered with or influenced in any way by The Texas Company's representative.

(JAX 431 *continued on next page*)

Respondents' Exhibit 6B

I emphasize again that the Texaco dealer is an independent businessman and he must be permitted to operate as one. Any one who violates these policies may be subject to immediate dismissal from the Company's service.

Please pass this information on to your division offices for dissemination to the people interested.

Yours very truly,

/Sgd/ Walter Hochuli

WH-PD

RLS-OJD

DDM-PMI-RTH-
NB-JKS-JGVS-AK

a

JAX 438

Respondents' Exhibit 8A

THE TEXAS COMPANY

Chicago, Illinois, January 21, 1952

Circular Letter No. 133

Zone Managers
Resale Salesmen

Gentlemen:

In order that all concerned may be fully informed, The Texas Company's policy with respect to the procedure to be followed in carrying out its TBA program, which policy has been in effect for many years, is reiterated below:

1. When presenting the merits of the Company's TBA program to Texaco dealers, the selling personnel should explain to the dealer that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

   Texaco dealers should be encouraged to expand their business beyond the sale of petroleum products for the reasons outlined.

2. To facilitate the handling of TBA merchandise by Texaco dealers the Company provides adequate display equipment in its service stations for the sale of such items.

3. The Company recommends certain lines of merchandise which are nationally advertised and enjoy national distribution, just as is true with respect to Texaco products.

4. Notwithstanding the fact that the Company recommends to its dealers certain lines of TBA merchandise, it should be recognized by all concerned that the Company has neither the right nor desire to dictate to the dealer the type of merchandise he should handle or the source from which he should purchase such merchandise.

5. In the interest of the dealer any recommendation with respect to TBA merchandise made by a Texaco representative to a Texaco dealer should take into consideration the following factors:

   (a) The dealer's requirements based on an analysis of the potential market;

   (b) The availability of a convenient source of supply;

JAX 488

Respondents' Exhibit 98

9-B

Zone Managers
Resale Salesmen

January 21, 1952

FEDERAL TRADE COMMISSION
EXHIBIT NO. 16

(c) The representation of the tire companies already established in the area, and the type of service that will be available through the available supply points;

(d) In all dealings the fact that the Texaco dealer is an independent [illegible] and he must be prepared to [illegible] as such.

6. If, in [illegible] of TBA merchandise [illegible] expresses a preference [illegible] line, following a [illegible] of the Texaco representative should [illegible] to introduce him to a [illegible] chosen by the dealer. It should be [illegible] at all times that the negotiations between the dealer and the representative, and any [illegible] arising therefrom, are matters for [illegible] and the Texaco representative should not [illegible] or attempt to influence such negotiations or [illegible] arrangements in any way.

7. The Company's assistance to Texaco dealers goes beyond the mere representation [illegible] Firestone line. In an effort to assist dealers to [illegible] and develop their business, the Company [illegible] on hand an adequate amount of merchandise of the [illegible] to serve fully the motorists' needs. The Firestone and Goodrich Suggested Basic Stock Agreement [illegible] Guide System is considered to be the simplest [illegible] to assure the maintenance of a well balanced [illegible] moving TBA merchandise. The Texaco selling personnel should therefore offer to make recommendations to dealers with respect to the proper selection of basic stock of TBA merchandise and to assist them in the initial installation of the Inventory Guide System. After the inventory is properly set up Texaco personnel should take an active part in maintaining and handling of such inventory, insofar as to the extent of taking orders for merchandise required, as indicated in Item 8.

8. If the dealer so desires, The Texas Company's selling personnel will further aid him by actually writing up the dealer's order for Goodrich or Firestone merchandise and will personally mail or deliver such orders to the dealer's regular source of supply.

9. The primary purpose of The Texas Company in sponsoring its TBA program is to counsel with and continually assist Texaco dealers so that they will establish and maintain superior

5333

Jan 1m

Correspondent Exhibit 88

Lone Mountain
Ocala Division

January 21, 1972

PERSONAL

Dear [illegible]

(c) the representation of the fire companies already established in the area, and the type of service that will be available through the wholesale supply point;

(d) In all dealings the fact that the Texaco dealer is an independent businessman must be emphasized and he must be permitted to operate as such.

6. If, in operating his own free choice of the brand of TBA merchandise he desires to handle, the dealer experiences difficulties either for the Goodyear or Firestone line, following a clear cut and straight forward presentation of the Texaco TBA program as outlined, the Texaco representative should assist the dealer further by arranging to introduce him to a plant representative of the supplier chosen by the dealer. It should be recognized at all times that the negotiations between the dealer and the TBA representative, and the purchase arrangement resulting therefrom, are matters for their mutual consideration, and the Texaco representative should not interfere with or attempt to influence such negotiations or purchase arrangements in any way.

7. The Company's assistance to Texaco dealers goes beyond the mere recommendation covering the Goodyear or Firestone line. In an effort to enable dealers to expand and develop their business, the Company urges them to keep on hand an adequate amount of merchandise of the proper type to serve their customers. The Firestone and Goodyear TBA merchandise is supported by inventory guide forms. Suggested Stock Record Assortment and Inventory Guide Forms is considered to be the simplest method available to assure the maintenance of a well balanced stock of fast moving TBA merchandise. The Texaco selling personnel should therefore offer to make recommendations to the dealers with respect to the proper distribution of basic stocks of TBA merchandise and to assist them in the initial installation of the Inventory Guide System. After the inventory is prepared not by Texaco personnel should take no further part in maintaining and handling of such inventory except to the extent of taking orders for merchandise required, as indicated in item 8.

8. If the dealer so desires, the Texas Company's selling personnel will further aid him by actually writing up the dealer's order for Goodyear or Firestone merchandise and will personally mail or deliver such orders to the dealer's regular source of supply.

9. The primary purpose of the Texas Company in sponsoring its TBA program is to connect with and continually assist Texaco dealers so that they will establish and maintain superior

JAX-434

Respondents' Exhibit 9C

Zone Managers
Resale Salesmen

January 21, 1952

9-C

FEDERAL TRADE COMMISSION
DOCKET NO. 6474 EXHIBIT NO. 9C

service to their customers and thereby earn greater profits.

10. Although in the foregoing program reference is made to Texaco dealers, it should be understood that every phase of the program outlined is readily adaptable to all TBA programs of Texaco consignees and distributors. Equal effort should be made by the Company's selling personnel to sell them on the merits of the program and the benefits to be derived by adopting it for their own use, and wholeheartedly encouraging the dealers they serve to adopt it.

11. Definite responsibilities and activities necessary to the effective adaptation of the Company's TBA program are a part of the regularly assigned duties of all the Texas Company's field personnel who normally contact dealers, or consignees, or distributors. The Company's selling personnel are expected to become familiar with the Firestone and Goodrich Suggested Basic Stock Assortment and Inventory Guide System and the merchandising of TBA products generally. It should be clearly understood, however, that assistance will also be rendered by Texaco personnel to all dealers in setting up their own Basic Stock Assortment and Inventory Guide System regardless of the brand of merchandise handled.

It should be further understood by all concerned that the activities of The Texas Company's personnel in carrying out its TBA program must be considered as an addition to the efforts or activities of the TBA suppliers' selling personnel and not in lieu thereof.

12. The importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment with respect to the brand of TBA merchandise he will handle, and the quantities he will purchase, cannot be over-emphasized. Insofar as The Texas Company is concerned no TBA supplier shall be preferred over any other as to any territory or portion thereof.

The foregoing covers completely The Texas Company's TBA policy of long standing and it must be adhered to without deviation.

Yours very truly,

C. H. Dodson

C. H. DODSON

KZB:DM

CHD-HRF-LDP-ARC-JPO-WHS-KLB-HSBo
RLKy-GBF-HGA-FAS-CAB-OCD-RCC-GWCh
RCB-JPO'H-HBH-KCP(5)-SHF(3)-NJZ-FLL
DEALER SERVICE REPRESENTATIVES
REPRESENTATIVES DEALER TRAINING

8000

JAX 435

Respondents' Exhibit 16A

Instructions

THE TEXAS COMPANY

Chicago, Illinois - December 20, 195

FEDERAL TRADE COMMISSION

DOCKET NO.

IN THE MATTER OF

DATE

WITNESS

THE TEXAS COMPANY'S EXTRA PROGRAM

ACE REPORTING CO.

By

State Managers
Zone Managers
Merchandising Salesmen
General Salesmen
Dealer Service Representatives
Representatives Dealer Training

Gentlemen:

In order to [illegible] our selling [illegible] particularly now embarked upon [illegible] years, at the merits of the Extra Program [illegible] and to outline the duties and responsibilities [illegible] personnel in this connection, it is felt desirable to review the Company's policy with respect [illegible] the duties of our field organization in connection therewith are fully covered by the attached statement.

As indicated therein, it is intended that a copy of this policy statement be added to each Salesman's portfolio. "Business Builders for Texaco Dealers" so that every salesman will at all times have with him for ready reference, full explanation of the Company's Extra policy and the proper instructions as to how he should function under the program.

Very truly yours,

C. A. Barker

CAB-PW

CWK WHP KMB CAB GWCh RCB
HBH(5) KCP(5) BHP FIL

Attachment

9000

JAX 436

Respondents' Exhibit 10E

FEDERAL TRADE COMMISSION

THE TEXAS COMPANY'S TBA PROGRAM

In order to remind our selling organization of the merits of The Texas Company's long standing TBA Program and to outline the duties and responsibilities of field personnel [illegible] this program, it is felt desirable to review fully herein the Company's [illegible] intended that these sheets be added to each salesman's portfolio [illegible] and be made a part thereof, so that every salesman will be [illegible] of the Company's TBA Policy and the duties and responsibilities as to [illegible] tion under this program.

I. WHY THE TEXAS COMPANY HAS A TBA PROGRAM

It is recognized that most service station dealers [illegible] tomers and reap the profits from [illegible] that the average automobile owner [illegible] motive necessities part of [illegible] merchandise, [illegible] normally handled by most [illegible]

The purpose of the Company's TBA [illegible] business beyond the sale of petroleum products, [illegible] counsel with and assistance to Texaco dealers [illegible] customers, maintain an adequate and [illegible] methods of merchandising so that they will be able to take [illegible] able to them through good service station operations.

II. WHY FIRESTONE AND GOODRICH LINES WERE SELECTED FOR RECOMMENDATION TO TEXACO DEALERS

The Texas Company believes that the TBA merchandise lines [illegible] Firestone and Goodrich offer many advantages to Texaco [illegible] quality automotive products to meet practically all the needs [illegible] products have national connections, backed by extensive [illegible] 48 states, with sales and delivery service [illegible] and numerous dealer operated stores which carry the complete line.

Another advantage of handling Firestone or Goodrich products is that the dealer can purchase his entire TBA requirements from one source, particularly [illegible] volume purchases. Both Firestone and Goodrich have [illegible] expressly to fit the needs of their service station [illegible] operative advertising are available on a low cost [illegible] trained to assist the service station dealers to make the most [illegible]

All these factors tend to increase the salability of Firestone and Goodrich products and thus increase the profits of dealers handling such lines. Accordingly, the Texas Company recommends that its dealers handle Firestone or Goodrich merchandise.

Notwithstanding the fact that the Company recommends [illegible] merchandise, it should be clearly understood that the Company [illegible] the desire to dictate to the dealer the brand or type of merchandise [illegible] which he should purchase such merchandise, or if he elects [illegible]

III. DUTIES OF TEXACO SALES PERSONNEL

(1) Each member of the field organization who [illegible] utors should clearly understand that when through [illegible] and auto supplies, it recognizes the advantages to the [illegible] merchandise and the necessity for the dealer to do so [illegible] of his customers and enjoy more profitable operations.

(2) In order to present the merits of The Texas TBA Program [illegible] thoroughly familiar with the lines, the basic sales policies, the [illegible] dising programs of both Firestone and Goodrich, including [illegible] "Suggested Basic Stock Assortment and Inventory Guide System."

(3) Before making definite recommendations with respect to TBA merchandise to a Texaco dealer, the Texaco representative should assist the dealer in analyzing the potential volume of TBA business that the dealer can reasonably expect within his specific trading area, and help him to derive at a basic minimum inventory that should permit adequate service of his particular market.

One of the important responsibilities of Texaco sales personnel is that they should continually be in position to advise dealers of forthcoming Firestone or Goodrich promotional programs so that the dealer can take advantage of every opportunity to increase his profits and be more competitive.

(4) Any recommendation with respect to brand of TBA merchandise made by the Company's representative should be predicated on the availability of a convenient source of supply, the frequency of contact and the type of service to be afforded the dealer by the wholesale supplier. A [illegible] should be the supplier's ability and willingness to assist the dealer to be competitive in the [illegible]. The established representation of the tire company in the area should also be taken into consideration.

(5) If, after a straightforward sales presentation of the Company's TBA program and full explanation of the merits of each program, the dealer should be [illegible] 3A merchandise express his preference for the Goodrich or Firestone line, the Texaco representative should promptly arrange to introduce to him a sales representative of the company whose line the dealer prefers. It should be recognized at all times that the negotiations between the dealer and the sales representative, and any purchase arrangements resulting therefrom, are matters for the parties concerned. The Texaco representative, however, should be prepared and willing to lend any advice and assistance that may be requested of him by the dealer during such negotiations.

(6) The Firestone or Goodrich "Suggested Basic Stock Assortment and Inventory Guide System" is considered among the simplest methods available to assure the maintenance of a well balanced stock of fast-moving TBA merchandise. The Texaco representative should explain to the dealer the complete functions of the "Inventory Guide" and urge the dealer to consider the installation and use of the system as it is consistent with good business management to maintain proper and adequate inventories. It should be explained to the dealer that this type of Guide can be of much value to him in effecting sales and in making it easier for him to buy only the merchandise needed. Texaco selling personnel should not only assist in the physical installation of the Inventory Guide System, but should continue to assist the dealer in the maintenance of the Guide until its use by the dealer becomes established practice in his everyday operations.

(7) It has been said that merchandise well displayed is half sold. Eye-catching displays of TBA products at service stations, like petroleum product displays, can be of utmost value to dealers in increasing their sales and profits. It is also important that the price be prominently shown on all TBA merchandise displayed and that the merchandise be kept in a clean and orderly arrangement. To help attract more customers and make more sales, both Firestone and Goodrich make available to dealers an inexpensive pricing kit as well as display packages containing up-to-date and attractive point of sale material.

Texaco representatives should urge dealers to take full advantage of the tire company's offer of assistance in improving their station's "sparkle" with displays that present an attractive appearance. The Company's selling personnel should assist dealers in utilizing all appropriate space available to them for building displays that will attract customers and increase sales.

(8) The regular order forms furnished by Firestone and Goodrich are to be carried by Texaco selling personnel at all times. At each visit to a service station, the Company's sales personnel should call the dealer's attention to the fact that as a further assistance to him in keeping his desired inventory balance, he will write up the dealer's order for the Goodrich or Firestone merchandising that is needed. Texaco personnel should personally mail or deliver such orders to the dealer's source of supply.

(9) Holders of The Texas Company's National Credit Cards are privileged to purchase Firestone or Goodrich TBA merchandise from Texaco dealers on their regular 30-day account, or may, when desired, extend their payments for such merchandise over a period up to 6 months. If properly promoted by the dealer, this Texaco Deferred Payment Plan can be of material assistance to him in increasing his sales and profits without the necessity of tying up the dealer's working capital in accounts receivable. The Company's selling personnel should urge dealers to take full advantage of this dealer aid for the convenience of their customers, which is available without cost. The Texaco representative should also make sure that the dealer understands the proper handling of customer charges for TBA merchandise on The Texas Company's Deferred Payment Plan.

(10) Although reference is made heretofore to dealers, it should be understood that every phase of the TBA program is adaptable to TBA programs of consignees and distributors. Equal effort should be made by the Company's personnel to sell consignees and distributors on the merits of the program as a means of developing their dealers, and the benefits to be derived by adopting it for their own use.

The principles of the Texaco Selling Method are sound and appropriate and should be applied wholeheartedly by The Texas Company's selling personnel when selling the merits of or handling any phase of the Company's TBA program. The success of the TBA program depends upon the kind of selling job that is done. The handling of the TBA program with dealers is an important part of the regularly assigned duties of the Company's selling personnel. Nevertheless, the importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment on all matters and all phases of his business cannot be overemphasized.

[redacted]

[redacted]

JAX 420

Respondents' Exhibit 14A

THE TEXAS COMPANY

Denver, Colorado, June 9, 1948

SERVICE STATION OPERATIONS

State Managers
Zone Representatives
Representatives-Dealer Service
Representatives-Dealer Training
Lubrication Engineers
Salesmen (Industrial)
Salesmen (Resale)
Bulk Station Salaried Agents
Denver Division

Gentlemen:

For your information and guidance, I am quoting below letter dated June 1 from Mr. Walter Hochuli, our General Sales Manager:

"The petroleum trade journals during the past several weeks have been carrying reports of the anti-trust suit being conducted by the Government against the Standard Oil Company of California. One of the principal items of discussion in this suit is the question of influence being exerted by the petroleum supplier on the gasoline dealer to have him purchase directly or indirectly certain items for resale through the dealer station. In view of this it seems advisable to restate our policy.

"With all of our dealers, whether they are operators of Company owned or Company leased service stations or dealers operating their own service stations, we have a sales contract which provides for the purchase by the dealer of certain estimated quantities of Texaco products. This contract does not prevent the dealer from purchasing competitive products in addition to Texaco products, though generally the dealer recognises that there are definite advantages in handling one nationally advertised line of petroleum products.

"A Texaco dealer is an independent businessman and he is entitled to conduct his business according to his own desires. Our men are expected to help the Texaco dealer to improve his business and make many helpful suggestions to that end. They may explain to the dealer the advantages of tying-in with a national program developed for the more than 40,000 Texaco Dealers throughout the country, but it is not in accord with the dealer's contract with The Texas Company to infer or indicate to a Texaco dealer directly or indirectly that any purchase by him of any type of merchandise from any supplier whatsoever will result in a reduction of the supply of petroleum products available to him or in a cancellation of any sales

7004

Respondents' Exhibit 164

THE TEXAS COMPANY   Denver, Colorado, June 9, 1948

SERVICE STATION OPERATIONS

State Managers
Zone Representatives
Representatives-Dealer Service
Representatives-Dealer Training
Lubrication Engineers
Salesmen (Industrial)
Salesmen (Regular)
Bulk Station Salaried Agents
Denver Division

Gentlemen:

For your information and guidance, I am quoting below letter dated June 4 from Mr. Walter Hochuli, our General Sales Manager:

"The petroleum trade journals during the past several weeks have been carrying reports of the anti-trust suit being conducted by the Government against the Standard Oil Company of California. One of the principal items of discussion in this suit is the question of influence being exerted by the petroleum supplier on the gasoline dealer to have him purchase directly or indirectly certain items for resale through the dealer stations. In view of this it seems advisable to restate our policy.

"With all of our dealers, whether they are operators of Company owned or Company leased service stations or dealers operating their own service stations, we have a sales contract which provides for the purchase by the dealer of certain estimated quantities of Texaco products. This contract does not prevent the dealer from purchasing competitive products in addition to Texaco products, though generally the dealer recognizes that there are definite advantages in handling one nationally advertised line of petroleum products.

"A Texaco dealer is an independent businessman and he is entitled to conduct his business according to his own desires. Our men are expected to help the Texaco dealer to improve his business and make many helpful suggestions to that end. They may explain to the dealer the advantages of tying-in with a national program developed for the more than 40,000 Texaco Dealers throughout the country, but it is not in accord with the dealer's contract with The Texas Company to infer or indicate to a Texaco dealer directly or indirectly that any purchase by him of any type of merchandise from any supplier whatsoever will result in a reduction of the supply of petroleum products available to him or in a cancellation of any sales

contract or lease agreement that may be in effect or in any other event which will make him feel that more persuasion is being exercised by us than would normally and properly be used by us toward a customer.

"The Texas Company does not sell tires, tubes, batteries, accessories or items other than petroleum that might be sold through a service station, but we recognize that it is to the advantage of the dealer to handle such merchandise in order to increase his earnings and enable him to have a more profitable operation. In fact, we encourage the dealer to expand his business beyond the sale of petroleum products for those reasons, and because, in the case of a Company owned or Company leased service station which has been leased to the dealer for operation, it means a more profitable venture through our facilities and eventually increases our earnings as well as the dealer's through that location.

"Even though we urge and encourage the dealer to handle merchandise other than petroleum products, we have neither the right nor the desire to dictate to him or influence him in any way as to the type of merchandise he should handle or the source from which he should purchase it. We can and do recommend certain lines which we feel fit into the program of handling such nationally advertised products as Texaco, but our representatives are not to exert any influence upon the dealer to have him follow our suggestions.

"We frequently install fixtures and display shelves at Company owned or Company leased service stations for use by the dealer in selling merchandise, and we should urge the dealer to use those facilities to increase his earnings and to keep on hand at all times a satisfactory amount of merchandise of the proper type, but again no pressure is to be put on the dealer to do so. There is no objection, after proper facilities for the sale of tires, tubes, batteries, and accessories have been provided at a service station, to our representatives introducing to the dealer a salesman who has such items for sale, or even of recommending to the dealer that he give consideration to the purchase of that salesman's merchandise, but it must be borne in mind at all times that after the introduction the negotiations and arrangements between the dealer and the TBA salesman are not to be interfered with or influenced in any way by The Texas Company's representative.

"I emphasize again that the Texaco dealer is an independent businessman and he must be permitted to operate

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JAX 441

Respondents' Exhibit 14C

as one. Any one who violates these policies may be subject to immediate dismissal from the Company's service."

Yours very truly,

C H Dodson

CHD-CH

WAS-WGL-CWT-FWM-WLB

JHD-WJF-RCM-HFW-ETB

MHP-LMB-WGH-WBP-RWS

EBC-FLR-EBP-JHCY

7-8

JAX 442

Respondents' Exhibit 15A

THE TEXAS COMPANY

Denver, Colorado, January 14, 1952

THE TEXAS COMPANY'S TBA PROGRAM
STATEMENT OF POLICY

CIRCULAR LETTER NO. 355

State Managers
Zone Managers
Denver Division

Gentlemen:

Attached hereto is copy of Mr. J. A. Winger's Circular Letter No. 355 of January 3. This letter covers a restatement of our policy with respect to the procedure to be followed in carrying out our TBA program. Everyone concerned is urged to read this letter, to make sure that our handling is in accordance with our policy.

Yours very truly,

W A Stamper

WAS-CH

JMLaF-FES-CWT-FMH-WLB

WJF-JHD-HCM-HFW-ETS-PLH

LMB-WOH-WBP-LFC-FRO-EPO

DEALER SERVICE REPRESENTATIVES
LUBRICATION ENGINEERS
SALESMEN (INDUSTRIAL)
SALESMEN (RESALE)
BULK PLANT AGENTS

4 9010

JAX 443

Respondents' Exhibit 188

COPY

Chicago, Illinois, January 3, 1952

THE TEXAS COMPANY'S TBA PROGRAM
STATEMENT OF POLICY

Circular Letter No. 155

Division Managers
Central Territory

Gentlemen:

In order that all concerned may be fully informed, The Texas Company's policy with respect to the procedure to be followed in carrying out its TBA program, which policy has been in effect for many years, is reiterated below:

1. When presenting the merits of the Company's TBA program to Texaco dealers, the selling personnel should explain to the dealer that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

   Texaco dealers should be encouraged to expand their business beyond the sale of petroleum products for the reasons outlined.

2. To facilitate the handling of TBA merchandise by Texaco dealers the Company provides adequate display equipment in its service stations for the sale of such items.

3. The Company recommends certain lines of merchandise which are nationally advertised and enjoy national distribution, just as is true with respect to Texaco products.

4. Notwithstanding the fact that the Company recommends to its dealers certain lines of TBA merchandise, it should be recognized by all concerned that the Company has neither the right nor desire to dictate to the dealer the type of merchandise he should handle or the source from which he should purchase such merchandise.

S- 9XM

5. In the interest of the dealer any recommendation with respect to TBA merchandise made by a Texaco representative to a Texaco dealer should take into consideration the following factors:

   (a) The dealer's requirements based on an analysis of the potential market;

   (b) The availability of a convenient source of supply;

   (c) The representation of the tire companies already established in the area, and the type of service that will be available through the wholesale supply point;

   (d) In all dealings the fact that the Texaco dealer is an independent businessman must be emphasized and he must be permitted to operate as such.

6. If, in exercising his own free choice of the brand of TBA merchandise he desires to handle, the dealer expresses a preference either for the Goodrich or Firestone line, following a clear cut and straight forward presentation of the Texaco TBA program as outlined, the Texaco representative should assist the dealer further by arranging to introduce him to a sales representative of the supplier chosen by the dealer. It should be recognized at all times that the negotiations between the dealer and the TBA representative, and any purchase arrangement resulting therefrom, are matters for their mutual consideration, and the Texaco representative should not interfere with or attempt to influence such negotiations or purchase arrangements in any way.

7. The Company's assistance to Texaco dealers goes beyond the mere recommendation covering the Goodrich or Firestone line. In an effort to assist dealers to expand and develop their business, the Company urges them to keep on hand an adequate amount of merchandise of the proper type to serve fully the motorists' needs. The Firestone and Goodrich Suggested Basic Stock Assortment and Inventory Guide System is considered to be the simplest method available to assure the maintenance of a well balanced stock of fast moving TBA merchandise.

6 Point

Respondents' Exhibit 18C

The Texaco selling personnel should therefore offer to make recommendations to the dealers with respect to the proper selection of basic stocks of TBA merchandise and to assist them in the initial installation of the Inventory Guide System. After the inventory is properly set up Texaco personnel should take no further part in maintaining and handling of such inventory except to the extent of taking orders for merchandise required, as indicated in Item 8.

8. If the dealer so desires, The Texas Company's selling personnel will further aid him by actually writing up the dealer's order for Goodrich or Firestone merchandise and will personally mail or deliver such orders to the dealer's regular source of supply.

9. The primary purpose of The Texas Company in sponsoring its TBA program is to counsel with and continually assist Texaco dealers so that they will establish and maintain superior service to their customers and thereby earn greater profits.

10. Although in the foregoing program reference is made to Texaco dealers, it should be understood that every phase of the program outlined is readily adaptable to all TBA programs of Texaco consignees and distributors. Equal effort should be made by the Company's selling personnel to sell them on the merits of the program and the benefits to be derived by adopting it for their own use, and wholeheartedly encouraging the dealers they serve to adopt it.

11. Definite responsibilities and activities necessary to the effective adaptation of the Company's TBA program are a part of the regularly assigned duties of all of The Texas Company's field personnel who normally contact dealers, or consignees, or distributors. The Company's selling personnel are expected to become familiar with the Firestone and Goodrich Suggested Basic Stock Assortment and Inventory Guide System and the merchandising of TBA products generally. It should be clearly understood, however, that assistance will also be rendered by Texaco personnel to all dealers in setting up their own Basic Stock Assortment and Inventory Guide System regardless of the brand of merchandise handled.

It should be further understood by all concerned that the activities of The Texas Company's personnel in carrying out its TBA program must be considered as an addition to the efforts or activities of the TBA suppliers' selling personnel and not in lieu thereof.

90161

Respondent's Exhibit (RE)

July 32

Dear Jerry:

The Jaeger selling personnel should therefore offer to make a suggestion to the dealers with regard to the proper selection of basic stock of TBA merchandise and assistance to the initial inventorying of the inventory guide system. After the inventory is properly set up dealers personnel would take no further part in the maintenance and taking of such inventory except to the extent taking orders for replacements required, as indicated in item 2.

In the meantime, the Jaeger Company's selling personnel will further advise by letter the dealers of the proper procedure for filling out warranties and will personally call or deliver such forms to the dealers requiring source of supply.

The primary purpose of the Jaeger Company in specifying the TBA products is to Jaeger's wide and continuing market interest and to its highly well-established and selling merchandising services to their customers and the only reason.

Although in the Jaeger's primary reference is made to the dealers, it should be understood that every effort of the Jaeger Company is equally applicable to all the dealers, distributors and distributors. Equal effort should be made by the Company's selling personnel to all such on the merits of the program and the benefits to be derived by which it is for their own use and advantageously advertising the dealers they serve in order to.

Further responsibilities and activities necessary to the efficient operation of the Company's TBA program are a part of the regularly assigned duties of all of the Jaeger Company field personnel who normally contact dealers, or customers, or distributors. The Company's selling personnel are expected to become familiar with the direction and operation suggested basic stock Assortment and Inventory Guide System and the merchandising of the products generally. It should be clearly understood, however, that assistance will also be rendered by Jaeger personnel to all dealers in setting up their own basic stock assortment and inventory Guide System regardless of the brand of merchandise handled.

It should be further understood by all concerned that the activities of the Jaeger Company's personnel in carrying out the program must be considered as an addition to the efforts or activities of the TBA suppliers' selling personnel and not in lieu thereof.

Yours

Jerry

440

12. The importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment with respect to the brand of TBA merchandise he will handle, and the quantities he will purchase, cannot be over-emphasized. Insofar as The Texas Company is concerned no TBA supplier shall be preferred over any other as to any territory or portion thereof.

The foregoing covers completely The Texas Company's TBA policy of long standing and it must be adhered to without deviation.

Yours very truly,

JAW-MK

SIGNED: J. A. WINGER

RLS-WFW-KRK-CBB-DLB

CHD-WAC-PHS-CWK

HSBe-FMJ-AN-WEO

8 9018

JAX 447

Respondents' Exhibit 16A

THE TEXAS COMPANY

Denver, Colorado, January 7, 1954

TBA PROGRAM
STATEMENT OF POLICY

CIRCULAR LETTER NO. 389

195-1

State Managers
Zone Managers
Denver Division

Gentlemen:

This letter replaces and cancels our Circular Letter No. 355 of January 14, 1952, under the above subject. It does not introduce any change in our policy of long standing, but is intended to:

A. Assist our personnel in presenting the merits of the program to dealers by stating the reasons for recommending Firestone or Goodrich as a supplier.

B. Outline the duties and responsibilities of field personnel charged with carrying out the program in the field.

I. WHAT THE TEXAS COMPANY'S TBA PROGRAM IS

The aim of the Company's TBA program is to encourage dealers to expand their business beyond the sale of petroleum products; and to counsel with and continually assist Texaco dealers to establish and maintain superior service to their customers, maintain an adequate and balanced stock of fast-moving TBA items and to improve their methods of merchandising so that they will be able to take full advantage of the profit potentials available to them through good service station operations.

Accordingly, The Texas Company recommends that its dealers handle Firestone or Goodrich. However, notwithstanding the fact that the Company recommends to its dealers these certain lines of TBA merchandise, it should be clearly understood by all concerned that the Company has neither the right nor the desire to dictate to the dealer the brand or type of merchandise he should handle, or the source from which he should purchase such merchandise, or to require him to handle any TBA merchandise.

II. WHY FIRESTONE AND GOODRICH LINES WERE SELECTED FOR RECOMMENDATION TO TEXACO DEALERS

The TBA merchandise lines and merchandising policies of both Firestone and Goodrich offer many advantages to the dealers, including a complete line of high quality automotive products to meet practically all the needs of the motorist. Firestone and Goodrich products have national acceptance, backed by extensive

9026

..tional advertising, and are distributed in all 48 states, with sales and delivery service available through 1,266 salary operated supply points and numerous dealer operated stores carrying the complete line.

Another advantage of handling these lines is that the dealer can purchase his entire TBA requirements from one source, conveniently located, thus earning extra discounts through volume purchases. Both Firestone and Goodrich have extensive sales promotion programs designed expressly to fit the needs of their service station accounts. Point-of-sale promotional material and cooperative advertising are available on a low-cost or no-cost basis. They also have a large sales force fully trained to assist the service station dealers to make the most of their TBA opportunities.

All these factors tend to increase the salability of Firestone and Goodrich products, and thus increase the profits of the dealers handling such lines.

III. RESPONSIBILITIES OF FIELD PERSONNEL IN ADMINISTERING THE TBA PROGRAM

Every field member who normally contacts dealers, consignees and distributors should:

(1) Understand that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

(2) Become familiar with the lines and basic sales policies and promotional and merchandising programs of Firestone and Goodrich, including their Suggested Basic Stock Assortment and Inventory Guide Systems.

(3) Handle assigned duties outlined in Section IV.

IV. DUTIES OF TEXACO SALES PERSONNEL CHARGED WITH HANDLING TBA PROGRAM IN THE FIELD

Listed below are the responsibilities and activities which are part of the regularly assigned duties of selling

N.I.C. 449

personnel who normally contact dealers, consignees or distributors:

(1) Present the merits of our TBA program, recommending the products of Firestone or Goodrich if best suited to the dealer's interest.

(2) Recommendations with respect to TBA merchandise made by a Texaco representative to a Texaco dealer should in the best interest of the dealer take into consideration the following factors:

(a) The dealer's requirements based on an analysis of the potential volume available within the dealer's specific trading area;

(b) The availability of a convenient source of supply and the frequency of contact and type of service to be afforded the dealer by a wholesale supplier, as well as the supplier's ability and willingness to assist the dealer to be competitive in the market at all times;

(c) The established representation of the tire company in the area.

(3) If, after a straightforward sales presentation of the Company's TBA program, and a full explanation of the merits of such program, the dealer should in exercising his free choice of a brand of TBA merchandise express his preference for the Goodrich or Firestone line, the Texaco representative should promptly arrange to introduce to him a sales representative of the supplier chosen by the dealer. It should be recognized at all times that the negotiations between the dealer and the tire company representative, and any purchase arrangements resulting therefrom, are matters for their mutual consideration. The Texaco representative, however, should be prepared and willing to lend any advice and counsel that may be requested of him by the dealer during such negotiations.

11 9024

JAX 400

Respondents' Exhibit 16D

(4) In an effort to help dealers expand and develop their business, the Company urges them to stock an adequate amount of TBA merchandise to serve fully the motorists' needs. Texaco selling personnel, with the dealer's approval, will assist in the physical installation of an "Inventory Guide System", and continue to assist in the maintenance until its use is habitual with the dealer, regardless of the brand chosen by the dealer. The Firestone or Goodrich "Suggested Basic Stock Assortment and Inventory Guide System" is considered among the simplest methods available to assure the maintenance of a well-balanced stock of fast-moving TBA merchandise, and dealers should be advised of this and urged to consider its installation and use.

(5) Similar guidance and assistance should be offered in the use and maintenance of TBA display programs, and dealers should be urged to utilize all appropriate space available to them in building displays that will attract customers and increase sales.

(6) The Company's sales personnel should be sufficiently alert at each visit to a service station to call the dealer's attention to their willingness to aid him by actually writing up the dealer's order for Goodrich or Firestone merchandise. As a further assistance to the dealer, Texaco personnel should personally mail or deliver such orders to the dealer's source of supply. Orders should be written on the forms furnished by Firestone and Goodrich and carried by Texaco personnel at all times.

(7) Although reference is made heretofore to dealers, it should be understood that every phase of the program is adaptable to TBA programs of consignees and distributors. Equal effort should be made by the Company's personnel to sell consignees and distributors on the merits of the program and the benefits to be derived by adopting it for their own use and wholeheartedly encouraging the dealers they serve to use it.

The importance of respecting the independence of the

Gold

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JAX 451

Respondents' Exhibit 18E

Texaco dealer and his right to exercise his free and independent judgment with respect to the brand of TBA merchandise he will handle, and the quantities he will purchase, cannot be overcircumvented. Insofar as The Texas Company is concerned, no TBA supplier shall be preferred over any other as to any territory or portion thereof.

The success of the TBA Program depends upon the kind of a selling job that is done. The principles of the Texaco Selling Method are sound and appropriate, and should be applied as wholeheartedly in handling this program as in all other sales efforts.

Yours very truly,

W. S. Temple

WAS-CH

JMLaV-EPO'S-VEJ-CWT-IWN-WLB

WJF-CWJ-RCM-HFW-LMB-CWT-FRO

JVM-WCH-WBP

EBC

DEALER SERVICE REPRESENTATIVES
LUBRICATION ENGINEERS
ALL SALESMEN
BULK PLANT AGENTS

904

JAX 459

Respondents' Exhibit 17A

THE TEXAS COMPANY Denver, Colorado, December 12, 1955

THE TEXAS COMPANY'S TBA PROGRAM

Zone Managers
Representatives-Dealer Training
Dealer Service Representatives
Merchandising Salesmen
General Salesmen

Denver Division

Gentlemen:

In order to remind our selling organization, particularly new employees who have joined our ranks in recent years, of the merits of The Texas Company's TBA Program and to outline the duties and responsibilities of our field personnel in this connection, it is felt desirable to review the Company's policy with respect thereto. The program and the duties of our field organization in connection therewith are fully covered by the attached statement.

As indicated therein, it is intended that a copy of this policy statement be added to each Salesman's portfolio "Business Builders for Texaco Dealers" so that every salesman will at all times have with him for ready reference a full explanation of the Company's TBA policy and the detailed instructions as to how he should function under the program.

Please handle accordingly.

Very truly yours,

WAS-EC

JALaF-FRS-FES-C.T-F.M-VLB

WEB-FFC-HYR-JFV

JAX 453

Respondents' Exhibit 17B

THE TEXAS COMPANY'S TBA PROGRAM

In order to remind our selling organization of the merits of The Texas Company's long standing TBA Program and to outline the duties and responsibilities of field personnel charged with carrying out this program, it is felt desirable to review fully herein the Company's policy with respect thereto. It is intended that these sheets be added to each salesman's portfolio "Business Builders For Texaco Dealers" and be made a part thereof, so that every salesman will at all times have with him the full explanation of the Company's TBA Policy and the detailed instructions as to how the selling organization should function under this program.

I. WHY THE TEXAS COMPANY HAS A TBA PROGRAM

It is recognized that most service station dealers cannot successfully gain and retain regular customers and reap full profits from their operation if only petroleum products are handled. Statistics prove that the average automobile owner prefers to deposit on his regular service station dealer for his automotive necessities short of major repairs. These necessities, commonly known in the industry as TBA merchandise, include tires, batteries, fan belts, spark plugs, hoses, oil filters and other replacement items normally handled by most successful service station dealers, plus many of the "items on" accessory items.

The purpose of the Company's TBA program therefore is to encourage dealers to expand their business beyond the sale of petroleum products. To accomplish this Texaco selling personnel should counsel with and continually assist Texaco dealers in establish and maintain superior service to their customers, maintain an adequate and balanced stock of fast-moving TBA items and to improve their methods of merchandising so that they will be able to take full advantage of the profit potentials available to them through good service station operations.

II. WHY FIRESTONE AND GOODRICH LINES WERE SELECTED FOR RECOMMENDATION TO TEXACO DEALERS

The Texas Company believes that the TBA merchandise lines and merchandising policies of both Firestone and Goodrich offer many advantages to Texaco dealers, including a complete line of high quality automotive products to meet practically all the needs of the motorist. Firestone and Goodrich products have national acceptance, backed by extensive national advertising, and are distributed in all 48 states, with sales and delivery service available through more than 1,000 salary-operated supply points and numerous dealer operated stores which carry the complete line.

Another advantage of handling Firestone or Goodrich products is that the dealer can purchase his entire TBA requirements from one source, conveniently located, thus earning extra discounts through volume purchases. Both Firestone and Goodrich have extensive sales promotion programs designed expressly to fit the needs of their service station accounts. Point-of-Sale promotional material and cooperative advertising are available on a low-cost or no-cost basis. They also have large sales forces fully trained to assist the service station dealers to make the most of their TBA opportunities.

All these factors tend to increase the saleability of Firestone and Goodrich products, and thus increase the profits of dealers handling such lines. Accordingly, The Texas Company recommends that its dealers handle Firestone or Goodrich merchandise.

Notwithstanding the fact that the Company recommends to its dealers certain lines of TBA merchandise, it should be clearly understood by all concerned that the Company has neither the right nor the desire to dictate to the dealer the brand or type of merchandise he should handle, or the source from which he should purchase such merchandise, or to require him to handle any TBA merchandise.

III. DUTIES OF TEXACO SALES PERSONNEL

(1) Each member of the field organization who normally contacts dealers, consignees, and distributors should clearly understand that even though The Texas Company does not handle tires, batteries, and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers and enjoy more profitable operations.

(2) In order to present the merits of The Texaco TBA Program all selling personnel should be thoroughly familiar with the lines, the basic sales policies, the promotional programs and the merchandising programs of both Firestone and Goodrich, including establishment and maintenance of their "Suggested Basic Stock Assortment and Inventory Guide Systems."

(3) Before making definite recommendations with respect to TBA merchandise to a Texaco dealer, the Texaco representative should assist the dealer in analyzing the potential volume of TBA business that the dealer can reasonably expect within his specific trading area, and help him to arrive at a basic minimum inventory that should permit adequate service of his particular market.

One of the important responsibilities of Texaco sales personnel is that they should continually be in position to advise dealers of forthcoming Firestone or Goodrich promotional programs so that the dealer can take advantage of every opportunity to increase his profits and be more competitive.

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JAX 454

Respondents' Exhibit 17C

(4) Any recommendation with respect to brands of TBA merchandise made by the Texaco representative should be predicated on the availability of a [illegible] contact and the type of service to be afforded by dealer. [illegible] be the supplier's ability and willingness to [illegible] The established representation of the [illegible]

(5) If, after a [illegible] planation of the merits of [illegible] TBA merchandise [illegible] should promptly arrange to [illegible] it should be recognized [illegible] sentative, and any [illegible] tion. The Texaco representative [illegible] that may be requested of him by the [illegible]

(6) The Firestone or Goodrich [illegible] in considered among the [illegible] of fast-moving TBA [illegible] functions of the "[illegible] it is consistent with [illegible] explained to the dealer that [illegible] it easier for him to buy [illegible] the physical installation of [illegible] maintenance of the Units [illegible]

(7) It has been said that [illegible] products at service stations. [illegible] ing their sales and profits. [illegible] chandise displayed and that the [illegible] more customers and make more sales [illegible] pensive pricing kit as well as [illegible]

Texaco representatives should [illegible] assistance in improving their [illegible] The Company's selling personnel should [illegible] for building displays that will attract [illegible]

(8) The regular order forms furnished by Firestone and Goodrich are to be carried by Texaco selling personnel at all times. [illegible] call the dealer's attention to the fact that [illegible] balance, he will write up the dealer's order [illegible] Texaco personnel should personally mail or deliver [illegible]

(9) Holders of The Texas Company's National Credit Cards [illegible] or Goodrich TBA merchandise from [illegible] desired, extend their payments for such [illegible] by the dealer, this [illegible] ing his sales and profits without [illegible] ceivable. The Company's selling [illegible] for the convenience of [illegible] also make sure that the [illegible] dise on The Texas Company's [illegible]

(10) Although [illegible] the TBA program is advanced in [illegible] made by the Company's [illegible] means of developing their business, and this [illegible]

The principles of the Texaco Selling Method are sound and [illegible] heartedly by The Texas Company's selling [illegible] of the Company's TBA program. The success of the TBA program [illegible] that is done. The handling of the TBA [illegible] signed duties of the Company's selling personnel. Nevertheless, the importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment on all matters and all phases of his business cannot be overemphasized.

SALES DEPARTMENT
THE TEXAS COMPANY

11-15-1955

16

[redacted]

[redacted]

[redacted]

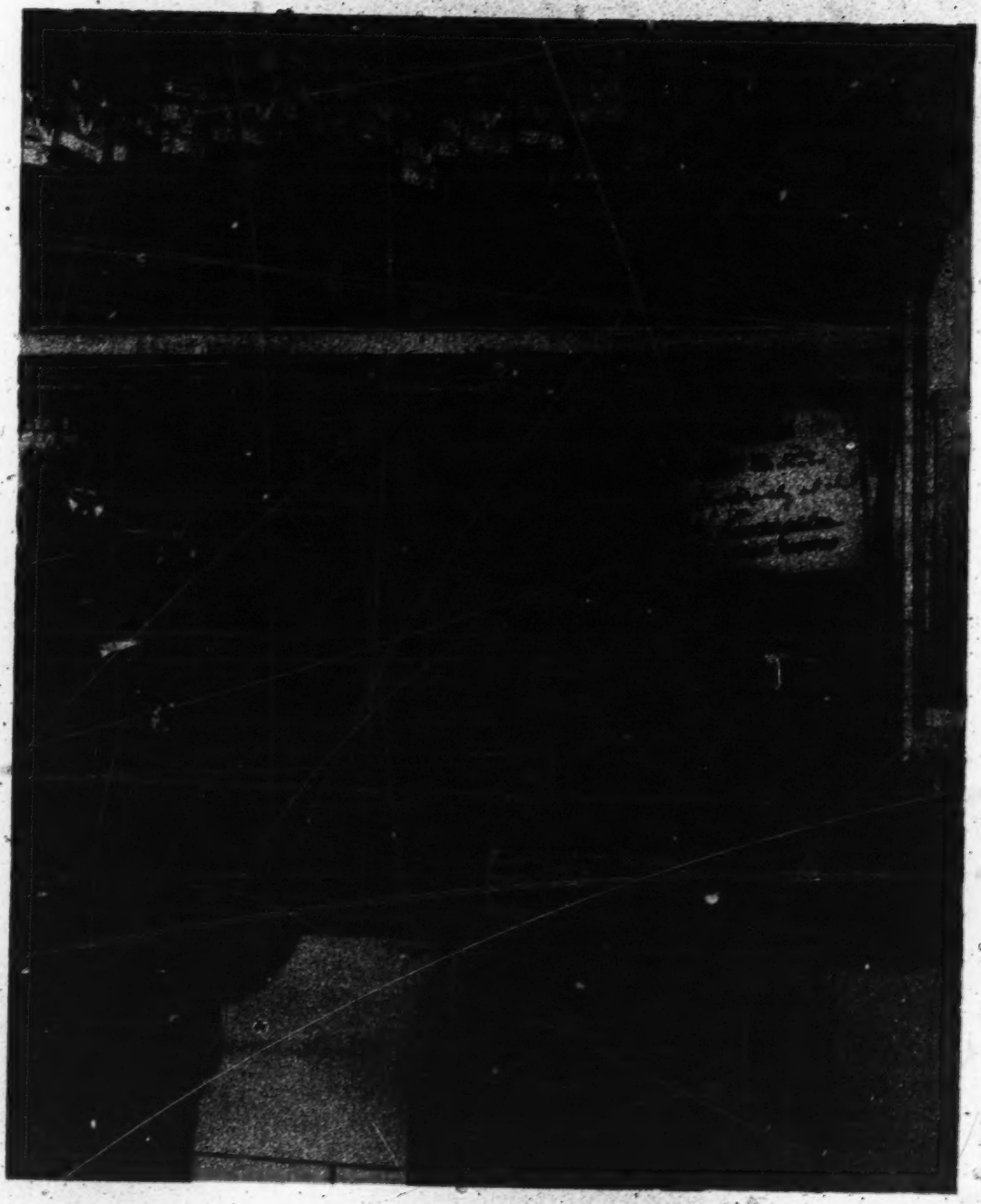
[redacted]

JAX 456

Respondents' Exhibit 19

[redacted]

[redacted]



JAX 458

Respondents' Exhibit 28A

FEDERAL TRADE COMMISSION
DOCKET NO. 6-17 EXHIBIT NO. 458
IN THE MATTER OF D. P. Moorhead
DATE 7/20/54 WITNESS
ACE REPORTING CO.
By

VERY IMPORTANT

Dallas, Texas , August 20, 1948

SERVICE ST ATION OPERATORS

STAFF MEMBERS, 153-GR
STATE MANAGERS,
ZONE REPRESENTATIVES,
REPRESENTATIVES DEALER SERVICE
REPRESENTATIVES DEALER TRAINING
SALESMEN

Gentlemen:

Under date of June 8 Mr. Fowlkes wrote you under the above subject and attached hereto is my letter, on the same subject.

Mr. Hochuli's letter is considered so important that we have asked you to again re-read it.

After you have pulled the original letter on this subject, which we ask that you do immediately, write on the bottom of this letter that you have read the contents of letter referred to, understand it perfectly, and will be guided by the contents thereof.

Please again refer to Mr. Fowlkes' letter of June 8, to which was attached copy of Mr. Walter Hochuli's letter of June 1.

PLEASE ACKNOWLEDGE THIS LETTER BY SIGNING AND RETURNING TO MR. H. D. FOWLKES.

Yours very truly,

H. D. Morgan

DGM-DS

GPB

HDF-RT-GM-WWI-JVA-JIC

SEP-SLG

JAX 450

Respondents' Exhibit 2028

FEDERAL TRADE COMMISSION 26-B

THE TEXAS COMPANY

Dallas, Texas, August 20, 1948

IMPORTANT

SENT VIA AIRMAIL OPERATIONS
13-18

Messrs. W. B. Sanderson,
C. D. Hall,
A. E. Martin,
H. C. Lewis,

Gentlemen:

On June 8, 1948 Mr. H. D. Fuller addressed a letter to you, with a copy to all Field Men and Salaried Selling Organization, to which he attached a copy of Mr. Walter Hochuli's letter of June 1, addressed to Territorial Managers.

Mr. Hochuli's letter was on the same subject as this letter today and it is considered so important that we ask you to pull this letter from your files and to carefully re-read it.

I am not attempting to cover the subject of Mr. Hochuli's letter, but it behooves us to be quite certain that we understand, thoroughly, our contact relations with Texaco Dealers.

I believe it a good idea for every Representative, who supervises Salesmen, to read this Letter to them and discuss its contents in detail. New Salesmen who have been added to our payroll in the last year are still not conversant with our Company Policies, and it is felt Salesmen who contact Dealers - Representatives of Dealer Service and Dealer Training, should be careful in their contacts with Dealers, to continually recognize the fact that Dealers are Independent Merchants and to operate as such.

Doubtless all of you have read in the Trade Magazines that a Decree has now been entered in the case of United States v. Standard Oil Company of California, which has reference to agreements and understandings between the supplying company and its dealers. This decree, again, emphasizes the importance of a proper understanding of our Policy by those of our field men who contact dealers and service station operators. THERE IS NOTHING IN MR. HOCHULI'S LETTER ABOVE REFERRED TO - thorough knowledge by every employee in the Sales Department, who, as part of his assigned duties, has occasion to contact dealers, contracted or uncontracted, third party or first party, who purchase a part or all of their Petroleum requirements from The Texas Company.

Yours very truly,

J. J. Morgan

IGM-GS
CBB
HDF-NY -GM-GRI-JFA-JRB
ZONE REPRESENTATIVES, REP-RMT
REPRESENTATIVES DEALER SERVICE
AND DEALER TRAINING & SALESMEN

JAX 460

Respondents' Exhibit 26C

6 - 11 - FEDERAL TRADE COMMISSION

26-C

THE TEXAS COMPANY

Dallas 2, Texas, June 8, 1948

SERVICE STATION OPERATIONS

I - 130-17

Messrs. W. B. Sanderson,
C. M. Hill,
A. B. Martin,
N. C. Lovell.

Gentlemen:

Attached for your information and guidance is copy of Mr. Walter Neuhall's letter of June 1 addressed to territorial managers, subject "Service Station Operations", in which he reiterates our policy with respect to Texaco dealers being independent businessmen and are to operate as such.

While we are quite sure that there are no instances in the Dallas Division where anyone has attempted in any manner to dictate the policies of Texaco dealers who are operators of company-owned and company-leased service stations, or dealers operating their own service stations, we, nevertheless, feel that you should again be reminded of our policy in this connection.

Yours very truly,

H D Douglas

HDF:LMB

IGM-HDF-MR-
GW-WWI-JVA-JED-
ZONE REPRESENTATIVES-
SZP-RLC-REPRESENTATIVES
DEALER SERVICE AND
DEALER TRAINING

2339

JAX 461

Respondents' Exhibit 26D

FEDERAL TRADE COMMISSION
DOCKET NO. 1645 EXHIBIT NO. 26-D

THE TEXAS COMPANY New York 17, N.Y., June 1, 1948

SERVICE STATION OPERATIONS

Messrs. R. R. Kibbe (6)
S. C. Bartlett (6)
C. B. Barrett (6)
D. R. Beaton (6)

Gentlemen:

The petroleum trade journals during the past several weeks have been carrying reports of the anti-trust suit being conducted by the Government against the Standard Oil Company of California. One of the principal items of discussion in this suit is the question of influence being exerted by the petroleum supplier on the gasoline dealer to have him purchase directly or indirectly certain items for resale through the dealer station. In view of this it seems advisable to restate our policy.

With all of our dealers, whether they are operators of Company owned or Company leased service stations or dealers operating their own service stations, we have a sales contract which provides for the purchase by the dealer of certain estimated quantities of Texaco products. This contract does not prevent the dealer from purchasing competitive products in addition to Texaco products, though generally the dealer recognizes that there are definite advantages in handling one nationally advertised line of petroleum products.

A Texaco dealer is an independent businessman and he is entitled to conduct his business according to his own desires. Our men are expected to help the Texaco dealer to improve his business and make many helpful suggestions to that end. They may explain to the dealer the advantages of tying-in with a national program developed for the more than 40,000 Texaco dealers throughout the country, but it is not in accord with the dealer's contract with The Texas Company to infer or indicate to a Texaco dealer directly or indirectly that any purchase by him of any type of merchandise from any supplier whatsoever will result in a reduction of the supply of petroleum products available to him or in a cancellation of any sales contract or lease agreement that may be in effect or in any other event which will make him feel that more persuasion is being exercised by us than would normally and properly be used by us toward a customer.

The Texas Company does not sell tires, tubes, batteries, accessories or items other than petroleum that might be sold through a service station, but we recognize that it is to the advantage of the dealer to handle such merchandise in order to increase his earnings and enable him to have a more profitable operation. In fact, we encourage the dealer to expand his business beyond the sale of petroleum products for these reasons, and because, in the case of a Company owned or Company leased service station which has been leased to the dealer for operation, it means a more profitable venture through our facilities and eventually increases our earnings as well as the dealer's through that location.

Respondents' Exhibit 26E

5X

Messrs. RMK-SCB-CBB-DEB -2- 1 6-1-48 26-E

Federal Trade Commission
DOCKET NO. [illegible] EXHIBIT NO. 26E

Even though we urge and encourage the dealer to handle merchandise other than petroleum products, we have neither the right nor the desire to dictate to him or influence him in any way as to the type of merchandise he should handle or the source from which he should purchase it. We can and do recommend certain lines which we feel fit into the program of handling such nationally advertised products as Texaco, but our representatives are not to exert any influence upon the dealer to have him follow our suggestions.

We frequently install fixtures and display shelves at Company owned or Company leased service stations for use by the dealer in selling merchandise, and we should urge the dealer to use those facilities to increase his earnings and to keep on hand at all times a satisfactory amount of merchandise of the proper type, but again no pressure is to be put on the dealer to do so. There is no objection, after proper facilities for the sale of tires, tubes, batteries, and accessories have been provided at a service station, to our representatives introducing to the dealer a salesman who has such items for sale, or even of recommending to the dealer that he give consideration to the purchase of that salesman's merchandise, but it must be borne in mind at all times that after the introduction the negotiations and arrangements between the dealer and the TBA salesman are not to be interfered with or influenced in any way by The Texas Company's representative.

I emphasize again that the Texaco dealer is an independent businessman and he must be permitted to operate as one. Any one who violates these policies may be subject o immediate dismissal from the Company's service.

Please pass this information on to your division offices for dissemination to the people interested.

Yours very truly,

WH-PD

Signed: Walter Hochuli

C
O
P
Y

JAX 463

Respondents' Exhibit 27A

-6

THE TEXAS COMPANY

Resp. 27-A

Dallas, Texas, February 25, 1938

CIRCULAR LETTER NO. 8-8

THE TEXAS COMPANY'S TBA PROGRAM
STATEMENT OF POLICY

FEDERAL TRADE COMMISSION
DOCKET NO. 6116 REPORT NO. 27-A
IN THE MATTER OF C. F. Hendrickson et al
DATE 7/24/59 WITNESS
ACE REPORTING CO.
By

STATE MANAGERS
ZONE MANAGERS
RESALE SALESMEN
DEALER SERVICE REPS.
DALLAS DIVISION

Gentlemen:

For your information, under date of January 2, 1938, Mr. C. B. Barrett in his circular letter #909, re-issued The Company's policy with respect to our TBA Program.

This letter is hereinafter quoted in its entirety:

"In order that all concerned may be fully informed, The Texas Company's policy with respect to the procedure to be followed in carrying out its TBA Program, which policy has been in effect for many years, is reiterated below:

1. When presenting the merits of the Company's TBA Program to TEXACO Dealers, the selling personnel should explain to the Dealer that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the Dealer from the handling of such merchandise and the necessity for the Dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

   TEXACO Dealers should be encouraged to expand their business beyond the sale of petroleum products for the reasons outlined.

2. To facilitate the handling of TBA merchandise by TEXACO Dealers the Company provides adequate display equipment in its Service Stations for the sale of such items.

3. The Company recommends certain lines of merchandise which are nationally advertised and enjoy national distribution, just as is true with respect to TEXACO Products.

(Continued Page #2)

D

4. Notwithstanding the fact that the Company recommends to its Dealers certain lines of TBA Merchandise, it should be recognized by all concerned that the Company has neither the right nor desire to dictate to the Dealer the type of merchandise he should handle or the source from which he should purchase such merchandise.

5. In the interest of the Dealer, any recommendation with respect to TBA Merchandise made by a TEXACO representative to a TEXACO Dealer should take into consideration the following factors:

(a) The Dealer's requirements based on an analysis of the potential market;

(b) The availability of a convenient source of supply;

(c) The representation of the tire companies already established in the Area, and the type of service that will be available through the wholesale supply points;

(d) In all dealings, the fact that the TEXACO Dealer is an independent businessman must be emphasized and he must be permitted to operate as such.

6. If, in exercising his own free choice of the brand of TBA merchandise he desires to handle, the Dealer expresses a preference either for the Goodrich or Firestone line, following a clear cut and straight forward presentation of the TEXACO TBA Program as outlined, the TEXACO representative should assist the Dealer further by arranging to introduce him to a sales representative of the supplier chosen by the Dealer. It should be recognized at all times that the negotiations between the Dealer and the TBA representative, and any purchase arrangement resulting therefrom, are matters for their mutual consideration, and the TEXACO representative should not interfere with or attempt to influence such negotiations or purchase arrangements in any way.

7. The Company's assistance to TEXACO Dealers goes beyond the mere recommendation covering the Goodrich or Firestone line. In an effort to assist Dealers to expand and develop their business, the Company urges them to keep on hand an adequate amount of merchandise of the proper type to serve fully the motorists' needs. The Firestone or Goodrich Suggested Basic Stock Assortment and Inventory Guide System is considered to be the simplest method available to assure the maintenance of a well balanced stock of fast moving TBA Merchandise.

The Texaco selling personnel should therefore offer to make recommendations to the Dealers with respect to the proper

(Cont'd, Para. #3)

selection of basic stocks of TBA Merchandise and to assist them in the initial installation of the Inventory Guide System. After the inventory is properly set up, TEXACO personnel should take no further part in maintaining and handling of such inventory except to the extent of taking orders for merchandise required, as indicated in Item 8.

8. If the Dealer so desires, The Texas Company's selling personnel will further aid him by actually writing up the Dealer's order for Goodrich or Firestone Merchandise and will personally mail or deliver such orders to the Dealer's regular source of supply.

9. The primary purpose of The Texas Company in sponsoring its TBA Program is to counsel with and continually assist TEXACO Dealers so that they will establish and maintain superior service to their customers and thereby earn greater profits.

10. Although in the foregoing program reference is made to TEXACO Dealers, it should be understood that every phase of the program outlined is readily adaptable to all TBA programs of TEXACO consignees and distributors. Equal effort should be made by the Company's selling personnel to sell them on the merits of the program and the benefits to be derived by adopting it for their own use, and wholeheartedly encouraging the Dealers they serve to adopt it.

11. Definite responsibilities and activities necessary to the effective adaptation of the Company's TBA Program are a part of the regularly assigned duties of all of The Texas Company's field personnel who normally contact Dealers, or Consignees, or distributors. The Company's selling personnel are expected to become familiar with the Firestone and Goodrich Suggested Basic Stock Assortment and Inventory Guide System and the merchandising of TBA Products generally. It should be clearly understood, however, that assistance will also be rendered by TEXACO personnel to all Dealers in setting up their own Basic Stock Assortment and Inventory Guide System regardless of the brand of merchandise handled.

It should be further understood by all concerned that the activities of The Texas Company's personnel in carrying out its TBA Program must be considered as an addition to the efforts or activities of the TBA suppliers' selling personnel and not in lieu thereof.

12. The importance of respecting the independence of the TEXACO Dealer and his right to exercise his free and independent judgment with respect to the brand of TBA Merchandise he will handle, and the quantities he will purchase, cannot be over-emphasized. Insofar as The Texas Company is concerned, no TBA supplier shall be preferred over any other as to any territory or portion thereof.

(Continued Page #4)

JAX 68

Respondents' Exhibit 27D

FEDERAL TRADE COMMISSION

27-D

CIRCULAR LETTER NO. 5-8 Page 4 2-25-52

"The foregoing covers completely The Texas Company's TBA policy of long standing, and it must be adhered to without deviation."

Please be governed accordingly.

Yours very truly,

I. G. Morgan

I. G. MORGAN.

IGM:GS

HDF-ET-FDB-CDH-JVA-JIC-TLC
RLC-AAZ-RLM-HCS-JFD-HAL

REFRS. DEALER TRAINING

JAX 467

Respondents' Exhibit 28A

'9A

28-A

THE TEXAS COMPANY

Dallas, Texas, December 28, 1953

TBA PROGRAM
STATEMENT OF POLICY
1-150-29e
32-05

FEDERAL TRADE COMMISSION
DOCKET NO. 6414 EXHIBIT NO. 28-A
IN THE MATTER OF B.F. Goodrich
DATE 7/21/59 WITNESS Livingston
ACME REPORTING CO., INC.
By

Mr. W. B. Sanderson - Dallas
Mr. F. R. Skipwith - Amarillo
Mr. J. B. Bolger - Oklahoma City
Mr. A. E. Martin - Albuquerque

Gentlemen:

Attached you will find a copy of Circular Letter No. 544, above subject, as issued to the field by Territorial Manager, C. N. Brooks.

Yours very truly,

J. T. MUSE.

JTM:BC

HDF CDH FHC FDB JVA JIC TLC
TLT AAZ RIN JSL WAP HAL
ZONE MANAGERS
SALESMEN
DEALER SERVICE REPRS.
REPRS. DEALER TRAINING

Attachment: (Copy of Circular Letter No. 544)

28A

9246

JAX 468

Respondents' Exhibit 268

FEDERAL TRADE COMMISSION

COPY

THE TEXAS COMPANY

Houston, Texas, December 15, 1953

TBA PROGRAM
STATEMENT OF POLICY

CIRCULAR LETTER NO. [illegible]

Messrs: J. A. [illegible]
R. D. [illegible]
J. W. [illegible]
H. B. Riley

Gentlemen:

This letter replaces and cancels Circular Letter No. 509 of January 2, 1952, under the above subject. It does not introduce any change in our policy of long standing, but is intended to:

A. Assist our personnel in presenting the merits of the Program to Dealers by stating the reasons for recommending Firestone or Goodrich as a supplier.

B. Define Division Management's responsibilities in administering the TBA Program.

C. Outline the duties and responsibilities of field personnel charged with carrying out the Program in the field.

I. WHAT THE TEXAS COMPANY'S TBA PROGRAM IS:

The aim of the Company's TBA Program is to encourage Dealers to expand their business beyond the sale of Petroleum Products; and to counsel with and continually assist TEXACO Dealers to establish and maintain superior service to their customers, maintain an adequate and balanced stock of fast-moving TBA items and to improve their methods of merchandising so that they will be able to take full advantage of the profit potentials available to them through good Service Station operations.

Accordingly, The Texas Company recommends that its Dealers handle Firestone or Goodrich. However, notwithstanding the fact that the Company recommends to its Dealers these certain lines of TBA merchandise, it should be clearly understood by all concerned that the Company has neither the right

(Continued Page #2)

nor the desire to dictate to the Dealer the brand or type of merchandise he should handle, or the source from which he should purchase such merchandise, or to require him to handle any TBA Merchandise.

II. WHY FIRESTONE AND GOODRICH LINES WERE SELECTED FOR RECOMMENDATION TO TEXACO DEALERS

The TBA merchandise lines and merchandising policies of both Firestone and Goodrich offer many advantages to the Dealers, including a complete line of high quality automotive products to meet practically all the needs of the motorist. Firestone and Goodrich products have national acceptance, backed by extensive national advertising, and are distributed in all 48 States, with sales and delivery service available through 1,266 salary operated supply points and numerous Dealer operated stores carrying the complete line.

Another advantage of handling these lines is that the Dealer can purchase his entire TBA requirements from one source, conveniently located, thus earning extra discounts through volume purchases. Both Firestone and Goodrich have extensive sales promotion programs designed expressly to fit the needs of their Service Station accounts. Point-of-sale promotional material and cooperative advertising are available on a low-cost or no-cost basis. They also have a large sales force fully trained to assist the Service Station Dealers to make the most of their TBA opportunities.

All these factors tend to increase the salability of Firestone and Goodrich products, and thus increase the profits of the Dealers handling such lines.

III. RESPONSIBILITIES OF DIVISION MANAGEMENT IN ADMINISTERING THE TBA PROGRAM

The proper administration of The Texas Company's TBA Program in the field is the direct responsibility of Division Management. They should see to it that each member of the field organization who normally contacts Dealers, Consignees and Distributors:

(1) Understands that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the Dealer from the handling of such merchandise and the necessity for the Dealer to do

(Continued Page 33)

so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

(2) Becomes familiar with the lines and basic sales policies and promotional and merchandising programs of Firestone and Goodrich, including their Suggested Basic Stock Assortment and Inventory Guide Systems.

(3) Handles assigned duties outlined in Section IV.

IV. DUTIES OF TEXACO SALES PERSONNEL CHARGED WITH HANDLING TBA PROGRAM IN THE FIELD

Listed below are the responsibilities and activities which are part of the regularly assigned duties of selling personnel who normally contact Dealers, Consignees or Distributors:

(1) Present the merits of our TBA Program, recommending the products of Firestone or Goodrich if best suited to the Dealer's interest.

(2) Recommendations with respect to TBA merchandise made by a TEXACO representative to a TEXACO dealer should in the best interest of the Dealer take into consideration the following factors:

(a) The Dealer's requirements based on an analysis of the potential volume available within the Dealer's specific trading area;

(b) The availability of a convenient source of supply and the frequency of contact and type of service to be afforded the Dealer by a wholesale supplier, as well as the supplier's ability and willingness to assist the Dealer to be competitive in the market at all times;

(c) The established representation of the tire company in the area.

(Continued Page 94)

FEDERAL TRADE COMMISSION
DOCKET 6112 EXHIBIT NO. 20E 8-E

(3) If, after a straightforward sales presentation of the Company's TBA Program, and a full explanation of the merits of such Program, the Dealer should in exercising his free choice of a brand of TBA merchandise express his preference for the Goodrich or Firestone line, the TEXACO representative should promptly arrange to introduce to him a sales representative of the supplier chosen by the Dealer. It should be recognized at all times that the negotiations between the Dealer and the Tire Company representative, and any purchase arrangements resulting therefrom, are matters for their mutual consideration. The TEXACO representative, however, should be prepared and willing to lend any advice and counsel that may be requested of him by the Dealer during such negotiations.

(4) In an effort to help Dealers expand and develop their business, the Company urges them to stock an adequate amount of TBA merchandise to serve fully the motorists' needs. TEXACO selling personnel, with the Dealers approval, will assist in the physical installation of an "Inventory Guide System", and continue to assist in the maintenance until its use is habitual with the Dealer, regardless of the brand chosen by the Dealer. The Firestone or Goodrich "Suggested Basic Stock Assortment and Inventory Guide System" is considered among the simplest methods available to assure the maintenance of a well-balance stock of fast moving TBA merchandise, and Dealers should be advised of this and urged to consider its installation and use.

(5) Similar guidance and assistance should be offered in the use and maintenance of TBA display programs, and Dealers should be urged to utilize all appropriate space available to them in building displays that will attract customers and increase sales.

(6) The Company's sales personnel should be sufficiently alert at each visit to a Service Station to call the Dealer's attention to their willingness to aid him by actually writing up the Dealer's

(Continued Page #5)

(3) If, after a satisfactory sales-promotion of the company's TUX Products, and a full demonstration of the merits of such products, the dealer should in consulting his own interests express a trial of the merchandise or otherwise express his preference for the Industrial or Airforce line, the TUXEDO representative should personally arrange to interview to him a sales representative of the supplying house by the Dealer. It should be recognized at all times that the relations between the dealer and the TUXEDO selling agent, and any promises arrangements resulting therefrom, are matters for their mutual consideration. The TUXEDO representative, however, should be prepared and willing to lend any advice and counsel that may be requested of him by the Dealer during such negotiations.

(4) In an effort to help Dealers secure and develop their business, the Company urges them to show an adequate amount of TUX merchandise to serve fully the requirements. TUXEDO selling personnel, with the Dealers' approval, will assist in the special installation of an inventory units. The conditions in regard to the installation with Industrial supplies of the brand chosen by the Dealer, regulations of the Dealer, the Minimum of Conditions Guaranteed Basic Stock Assortment and Inventory Unit System is considered among the Dealers having facilities to secure the maximum benefit from a well-balanced stock of TUX merchandise. The Dealers are asked to study the Inventory Unit and use it and to consider its practical and use.

(5) Selling guidance and assistance should be offered in the use and maintenance of the Company's merchandise and Dealers should be asked to utilize all appropriate posse facilities to have in building displays that will attract customers and increase sales.

(6) The Company's sales personnel should be authorized about to each visit to a Service Station on call the Dealer's attention to their willingness to aid him by actually setting up the Dealer's

(Continued Page 49)

CIRCULAR LETTER NO. 724
Page 23

order for Goodrich or Firestone merchandise. As a further assistance to the Dealer, TEXACO personnel should personally mail or deliver such orders to the Dealer's source of supply. Orders should be written on the forms furnished by Firestone and Goodrich and carried by TEXACO personnel at all times.

(7) Although reference is made hereinbefore to Dealers, it should be understood that every phase of the Program is adaptable to TBA Programs of Consignees and Distributors. Equal effort should be made by the Company's personnel to sell Consignees and Distributors on the merits of the Program and the benefits to be derived by adopting it for their own use and wholeheartedly encouraging the Dealers they serve to use it.

The importance of respecting the independence of the TEXACO Dealer and his right to exercise his free and independent judgment with respect to the brand of TBA merchandise he will handle, and the quantities he will purchase, cannot be overemphasized. Insofar as The Texas Company is concerned, no TBA supplier shall be preferred over any other as to any territory or portion thereof.

The success of the TBA Program depends upon the kind of a selling job that is done. The principles of the TEXACO Selling Method are sound and appropriate, and should be applied as wholeheartedly in handling this Program as in all other Sales efforts.

Yours very truly,

Signed: C. N. BROOKS

CNB:CK

JAX 678

Respondents' Exhibit 29A

35

Rep 29-A

THE TEXAS COMPANY

Dallas, Texas, December 13, 1955

CIRCULAR LETTER #8-56

THE TEXAS COMPANY'S TBA PROGRAM

1-150-29
15-01

STATE MANAGERS
ZONE MANAGERS
GENERAL SALESMEN
MERCHANDISING SALESMEN
DEALER SERVICE REPRESENTATIVES
REPRESENTATIVES (DEALER TRAINING)
THE TEXAS COMPANY
DALLAS DIVISION

Gentlemen:

We are attaching, hereto, the Company's policy sheet with respect to our TBA Program in which is outlined the duties and responsibilities charged to our field personnel in carrying out this program.

The attached policy instruction sheet is to be inserted in your portfolio "Business Builders for Texaco Dealers" and be made a part thereof so that you will, at all times, have with you a full explanation of the Company's TBA policy and the detailed instructions as to how you should function under this program.

Yours very truly,

J. H. Payne

J. H. PAYNE

JHP:AM

KDP CDK FWC FDB JEL JVA JIC

TLP KRR LPB

Attachment

FEDERAL TRADE COMMISSION
DOCKET NO. 6[illegible] RESPONDENT EXHIBIT NO. 29-A
IN THE MATTER OF B. F. Goodrich
DATE 7/21/[illegible] WITNESS [illegible]
ECS REPORTING CO., OFFICIAL REPORTERS
By [illegible]

"DRIVE IN '56"

JAX 494

[redacted]

THE TEXAS COMPANY'S TRAINING PROGRAM

29-B

[redacted]

I. WHY THE TEXAS COMPANY [redacted]

[redacted]

II. THE [redacted]

[redacted]

III. [redacted]

[redacted]

JAX 475

Respondents' Exhibit 29C

29—C FEDERAL TRADE COMMISSION

DOCKET [illegible] EXHIBIT NO. 29C

(4) Any recommendation with respect to brand of TBA merchandise made by the Texaco representative should be predicated on the availability of a convenient source of supply, the frequency of contact and the type of service to be afforded the dealer by the wholesale supplier. A major factor would be the supplier's ability and willingness to assist the dealer to be competitive in the market at all times. The established representation of the tire company in the area should also be taken into consideration.

(5) If, after a straightforward sales presentation of the Company's TBA program, and a full explanation of the merits of such program, the dealer should in exercising his free choice of a brand of TBA merchandise express his preference for the Goodrich or Firestone line, the Texaco representative should promptly arrange to introduce to him a sales representative of the supplier chosen by the dealer. It should be remembered at all times that the negotiations between the dealer and the tire company representative, and any purchase arrangements resulting therefrom, are matters for their mutual consideration. The Texaco representative, however, should be prepared and willing to lend any advice and counsel that may be requested of him by the dealer during such negotiations.

(6) The Firestone or Goodrich "Suggested Basic Stock Assortment and Inventory Guide System" is continuously supply the current materials available to assure the maintenance of a well-balanced stock of fast-moving TBA merchandise. The Texaco representative should explain to the dealer the complete functions of the "Inventory Guide" and urge the dealer to consider its installation and use. Inasmuch as it is consistent with good business management to maintain proper and adequate inventories, it should be explained to the dealer that this type of Guide can be of much value to him in effecting sales and in making it easier for him to keep only the merchandise needed. Texaco selling personnel should not only assist in the physical installation of the Inventory Guide System, but should continue to assist the dealer in the maintenance of the Guide until its use by the dealer becomes established routine in his everyday operation.

(7) It has been said that merchandise well displayed is half sold. Eye-catching displays of TBA products at service stations, like petroleum product displays, can be of vastest value to dealers in increasing their sales and profits. It is also important that the prices be prominently shown on all TBA merchandise displayed and that the merchandise be kept in a clean and orderly arrangement. To help attract more customers and make more sales, both Firestone and Goodrich make available to dealers an inexpensive pricing kit as well as display packages containing up-to-date and attractive point-of-sale material.

Texaco representatives should urge dealers to take full advantage of the tire company's offer of assistance in improving their station's "sparkle" with displays that present an attractive appearance. The Company's selling personnel should assist dealers in utilizing all appropriate space available to them for building displays that will attract customers and increase sales.

(8) The regular order forms furnished by Firestone and Goodrich are to be carried by Texaco selling personnel at all times. At each visit to a service station, the Company's sales personnel should call the dealer's attention to the fact that as a further assistance to him in keeping his desired inventory balance, he will write up the dealer's order for the Goodrich or Firestone merchandise that is needed. Texaco personnel should personally mail or deliver such orders to the dealer's source of supply.

(9) Holders of The Texas Company's National Credit Cards are privileged to purchase Firestone or Goodrich TBA merchandise from Texaco dealers on their regular 30-day account, or may, when desired, extend their payments for such merchandise over a period up to 6 months. If properly promoted by the dealer, this Texaco Deferred Payment Plan can be of material assistance to him in increasing his sales and profits without the necessity of tying up the dealer's working capital for accounts receivable. The Company's selling personnel should urge dealers to take full advantage of this dealer aid for the convenience of their customers, which is available without cost. The Texaco representative should also make sure that the dealer understands the proper handling of customer charges for TBA merchandise on The Texas Company's Deferred Payment Plan.

(10) Although reference is made heretofore to dealers, it should be understood that every phase of the TBA program is adaptable to TBA programs of consignees and distributors. Equal effort should be made by the Company's personnel to sell consignees and distributors on the merits of the program as a means of developing their dealers, and the benefits to be derived by adopting it for their own use.

The principles of the Texaco Selling Method are sound and appropriate and should be applied wholeheartedly by The Texas Company's selling personnel when selling the merits of or handling any phase of the Company's TBA program. The success of the TBA program depends upon the kind of selling job that is done. The handling of the TBA program with dealers is an important part of the regularly assigned duties of the Company's selling personnel. Nevertheless, the importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment on all matters and all phases of his business cannot be overemphasized.

SALES DEPARTMENT

THE TEXAS COMPANY

11-55-1000

9054

Respondents' Exhibit 30A

(9055)

THE TEXAS COMPANY'S TBA PROGRAM
STATEMENT OF POLICY

State Manager's
Zone Manager's
Dealer Service Representatives
Representatives (Dealer Training)
Salesmen (Resale)

Gentlemen:

For your information and guidance, We quote below Mr. C. B. Barrett's circular letter #509 of January 2, 1952 under the above subject:

"In order that all concerned may be fully informed, The Texas Company's policy with respect to the procedure to be followed in carrying out its TBA Program, which policy has been in effect for many years, is reiterated below:

1. When presenting the merits of the Company's TBA Program to Texaco Dealers, the selling personnel should explain to the Dealer that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the Dealer from the handling of such merchandise and the necessity for the Dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

   Texaco Dealers should be encouraged to expand their business beyond the sale of petroleum products for the reasons outlined.

(JAX 476 *continued on next page*)

Respondents' Exhibit 30A

2. To facilitate the handling of TBA merchandise by Texaco Dealers the Company provides adequate display equpiment in its Service Stations for the sale of such items.

3. The Company recommends certain lines of merchandise which are nationally advertised and enjoy national distribution, just as is true with respect to Texaco Products.

4. Notwithstanding the fact that the Company recommends to its Dealers certain lines of TBA Merchandise, it should be recognized by all concerned that the Company has neither the right nor desire to dictate to the Dealer the type of merchandise he should handle or the source from which he should purchase such merchandise.

5. In the interest of the Dealer, any recommendation with respect to TBA Merchandise made by a Texaco representative to a Texaco Dealer should take into consideration the following factors:

Respondents' Exhibit 30B

(9056)

2-8-52

(a) The Dealer's requirements based on an analysis of the potential market;

(b) The availability of a convenient source of supply;

(c) The representation of the tire companies already established in the Area, and the type of service that will be available through the wholesale supply point;

(d) In all dealings, the fact that the Texaco Dealer is an independent businessman must be emphasized and he must be permitted to operate as such.

6. If, in exercising his own free choice of the brand of TBA merchandise he desires to handle, the Dealer expresses a preference either for the Goodrich or Firestone line, following a clear cut and straight forward presentation of the Texaco TBA Program as outlined, the Texaco representative should assist the Dealer further by arranging to introduce him to a sales representative of the supplier chosen by the Dealer. It should be recognized at all times that the negotiations between the Dealer and the TBA representative, and any purchase arrangement resulting therefrom, are matters for their mutual consideration, and the Texaco representative should not interfere with or attempt to influence such negotiations or purchase arrangements in any way.

(JAX 477 *continued on next page*)

Respondents' Exhibit 30B

7. The Company's assistance to Texaco Dealers goes beyond the mere recommendation covering the Goodrich or Firestone line. In an effort to assist Dealers to expand and develop their business, the Company urges them to keep on hand an adequate amount of merchandise of the proper type to serve fully the motorists' needs. The Firestone or Goodrich Suggested Basic Stock Assortment and Inventory Guide System is considered to be the simplest method available to assure the maintenance of a well balanced stock of fast moving TBA Merchandise.

   The Texaco selling personnel should therefore offer to make recommendations to the Dealers with respect to the proper selection of basic stocks of TBA Merchandise and to assist them in the initial installation of the Inventory Guide System. After the inventory is properly set up, Texaco personnel should take no further part in maintaining and handling of such inventory except to the extent of taking orders for merchandise required, as indicated in Item 8.

8. If the Dealer so desires, The Texas Company's selling personnel will further aid him by actually writing up the Dealer's order for Goodrich or Firestone Merchandise and will personally mail or deliver such orders to the Dealer's regular source of supply.

Respondents' Exhibit 30C

(9057)

2-8-52

9. The primary purpose of The Texas Company in sponsoring its TBA Program is to counsel with and continually assist Texaco Dealers so that they will establish and maintain superior service to their customers and thereby earn greater profits.

10. Although in the foregoing program reference is made to Texaco Dealers, it should be understood that every phase of the program outlined is readily adaptable to all TBA programs of Texaco consignees and distributors. Equal effort should be made by the Company's selling personnel to sell them on the merits of the program and the benefits to be derived by adopting it for their own use, and wholeheartedly encouraging the Dealers they serve to adopt it.

11. Definite responsibilities and activities necessary to the effective adaptation of the Company's TBA Program are a part of the regularly assigned duties of all of The Texas Company's field personnel who normally contact Dealers, or Consignees, or distributors. The Company's selling personnel are expected to become familiar with the Firestone and Goodrich Suggested Basic Stock Assortment and Inventory Guide System and the merchandising of TBA Products generally. It should be clearly understood, however, that assistance will also be rendered by Texaco personnel to all Dealers in setting up their own Basic Stock Assortment and Inven-

(JAX 478 *continued on next page*)

tory Guide System regardless of the brand of merchandise handled.

It should be further understood by all concerned that the activities of The Texas Company's personnel in carrying out its TBA Program must be considered as an addition to the efforts or activities of the TBA suppliers' selling personnel and not in lieu thereof.

12. The importance of respecting the independence of the Texaco Dealer and his right to exercise his free and independent judgment with respect to the brand of TBA Merchandise he will handle, and the quantities he will purchase, cannot be over-emphasized. Insofar as The Texas Company is concerned, no TBA supplier shall be preferred over any other as to any territory or portion thereof.

"The foregoing covers completely The Texas Company's TBA policy of long standing, and it must be adhered to without deviation."

Yours very truly,

T. E. Horton

DBM:rhp

JAX 479

Respondents' Exhibit 31A

Resp. 31A

979

THE TEXAS COMPANY

Atlanta, Georgia, December 31, 1953

CIRCULAR LETTER NO. 4

TBA PROGRAM
STATEMENT OF POLICY

FILE: 583.1

State Managers
Zone Managers
Dealer Service Representatives
Dealer Training Representatives
Salesmen (Resale)
ATLANTA DIVISION

FEDERAL TRADE COMMISSION
DOCKET NO. [illegible] EXHIBIT NO. 31A
IN THE MATTER OF [illegible]
DATE [illegible] WITNESS: [illegible]
[illegible] REPORTING CO.
By [illegible]

Gentlemen:

This letter replaces and cancels Circular Letter No. [illegible] of January 2, 1952, under the above subject. It does not introduce any change in our policy of long standing, but is intended to:

A. Assist our personnel in presenting the merits of the program to dealers by stating the reasons for recommending Firestone or Goodrich as a supplier.

B. Define Division Management's responsibilities in administering the TBA program.

C. Outline the duties and responsibilities of field personnel charged with carrying out the program in the field.

I. WHAT THE TEXAS COMPANY'S TBA PROGRAM IS

The aim of the Company's TBA program is to encourage dealers to expand their business beyond the sale of petroleum products; and to counsel with and continually assist Texaco dealers to establish and maintain superior service to their customers, maintain an adequate and balanced stock of fast-moving TBA items and to improve their methods of merchandising so that they will be able to take full advantage of the profit potentials available to them through good service station operations.

Accordingly, The Texas Company recommends that its dealers handle Firestone or Goodrich. However, notwithstanding the fact that the Company recommends to its dealers these certain lines of TBA merchandise, it should be clearly understood by all concerned that the Company has neither the right nor the desire to dictate to the dealer the brand or type of merchandise he should handle, or the source from which he should purchase such merchandise, or to require him to handle any TBA merchandise.

JAX 480

Respondents' Exhibit 31B

FEDERAL TRADE COMMISSION
DOCKET NO. [illegible] EXHIBIT NO. 31B

II. WHY FIRESTONE AND GOODRICH LINES WERE SELECTED FOR RECOMMENDATION TO TEXACO DEALERS

The TBA merchandise lines and merchandising policies of both Firestone and Goodrich offer many advantages to the dealers, including a complete line of high quality automotive products to meet practically all the needs of the motorist. Firestone and Goodrich products have national acceptance, backed by extensive national advertising, and are distributed in all 48 states, with sales and delivery service available through 1,266 salary operated supply points and numerous dealer operated stores carrying the complete line.

Another advantage of handling these lines is that the dealer can purchase his entire TBA requirements from one source, conveniently located, thus earning extra discounts through volume purchases. Both Firpstone and Goodrich have extensive sales promotion programs designed expressly to fit the needs of their service station accounts. Point-of-sale promotional material and cooperative advertising are available on a low-cost or no-cost basis. They also have a large sales force fully trained to assist the service station dealers to make the most of their TBA opportunities.

All these factors tend to increase the saleability of Firestone and Goodrich products, and thus increase the profits of the dealers handling such lines.

III. RESPONSIBILITIES OF DIVISION MANAGEMENT IN ADMINISTERING THE TBA PROGRAM

The proper administration of The Texas Company's TBA program in the field is the direct responsibility of Division Management. They should see to it that each member of the field organization who normally contacts dealers, consignees and distributors:

(1) Understands that even though The Texas Company does not handle tires, batteries and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers, and enjoy more profitable operations.

(2) Becomes familiar with the lines and basic sales policies and promotional and merchandising programs of Firestone and Goodrich, including their Suggested Basic Stock Assortment and Inventory Guide Systems.

JAX 481

Respondents' Exhibit 31C

FEDERAL TRADE COMMISSION
DOCKET NO. 6170 RECEIVED EXHIBIT NO. 31-C

(3) Handles assigned duties outlined in Section IV.

IV. DUTIES OF TEXACO SALES PERSONNEL CHARGED WITH HANDLING TBA PROGRAM IN THE FIELD

Listed below are the responsibilities and activities which are part of the regularly assigned duties of selling personnel who normally contact dealers, consignees or distributors:

(1) Present the merits of our TBA program, recommending the products of Firestone or Goodrich if best suited to the dealer's interest.

(2) Recommendations with respect to TBA merchandise made by a Texaco representative to a Texaco dealer should in the best interest of the dealer take into consideration the following factors:

(a) The dealer's requirements based on an analysis of the potential volume available within the dealer's specific trading area;

(b) The availability of a convenient source of supply and the frequency of contact and type of service to be afforded the dealer by a wholesale supplier, as well as the supplier's ability and willingness to assist the dealer to be competitive in the market at all times;

(c) The established representation of the tire company in the area.

(3) If, after a straightforward sales presentation of the Company's TBA program, and a full explanation of the merits of such program, the dealer should in exercising his free choice of a brand of TBA merchandise express his preference for the Goodrich or Firestone line, the Texaco representative should promptly arrange to introduce to him a sales representative of the supplier chosen by the dealer. It should be recognized at all times that the negotiations between the dealer and the tire company representative, and any purchase arrangements resulting therefrom, are matters for their mutual consideration. The Texaco representative, however, should be prepared and willing to lend any advice and counsel that may be requested of him by the dealer during such negotiations.

JAX 488

Respondents' Exhibit 31D

(4) In an effort to help dealers expand and develop their business, the Company urges them to stock an adequate amount of TBA merchandise to serve fully the motorists' needs. Texaco selling personnel, with the dealers approval, will assist in the physical installation of an "Inventory Guide System", and continue to assist in the maintenance until its use is habitual with the dealer, regardless of the brand chosen by the dealer. The Firestone or Goodrich "Suggested Basic Stock Assortment and Inventory Guide System" is considered among the simplest methods available to assure the maintenance of a well-balanced stock of fast-moving TBA merchandise, and dealers should be advised of this and urged to consider its installation and use.

(5) Similar guidance and assistance should be offered in the use and maintenance of TBA display programs, and dealers should be urged to utilize all appropriate space available to them in building displays that will attract customers and increase sales.

(6) The Company's sales personnel should be sufficiently alert at each visit to a service station to call the dealer's attention to their willingness to aid him by actually writing up the dealer's order for Goodrich or Firestone merchandise. As a further assistance to the dealer, Texaco personnel should personally mail or deliver such orders to the dealer's source of supply. Orders should be written on the forms furnished by Firestone and Goodrich and carried by Texaco personnel at all times.

(7) Although reference is made heretofore to dealers, it should be understood that every phase of the program is adaptable to TBA programs of consignees and distributors. Equal effort should be made by the Company's personnel to sell consignees and distributors on the merits of the program and the benefits to be derived by adopting it for their own use and wholeheartedly encouraging the dealers they serve to use it.

The importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment with respect to the brand of TBA merchandise he will handle, and the quantities he will purchase, cannot be overemphasized. Insofar as The Texas Company is concerned, no TBA supplier shall be preferred over any other as to any territory or portion thereof.

JAX 483

Respondents' Exhibit 31E

The success of the TBA Program depends upon the kind of a selling job that is done. The principles of the Texaco Selling Method are sound and appropriate, and should be applied as wholeheartedly in handling this program as in all other sales efforts.

The success you will attain depends entirely upon the time and effort you put into the program and the cooperation you give and receive from the rubber company representatives. Your job will be much easier and your results much more satisfactory if you work closely with the tire company representatives.

Yours very truly,

J. O. SANDERS

JOS-EER

JOS-RWG-DD-JHB-WHOJr-JMS-LMD

ACCT. FILE

JAX 484

Respondents' Exhibit 32A

Rep. 32 A

THE TEXAS COMPANY

Atlanta, Georgia, December 13, 1955

TRA PROGRAM
STATEMENT OF POLICY

FILE: 683.1

CIRCULAR LETTER NO. 4-A

FEDERAL TRADE COMMISSION
DOCKET NO. 6[illegible] EXHIBIT NO. 32 A
IN THE MATTER OF
DATE [illegible] WITNESS [illegible]
ACE REPORTING CO., [illegible]
By

Merchandising Salesmen
General Salesmen
ATLANTA DIVISION

Gentlemen:

This supplements our Circular Letter No. 4 written December 31, 1953.

In order to remind our selling organization, particularly new employes who have joined our ranks in recent years, of the merits of the Texas Company's TRA Program and to outline the duties and responsibilities of our field personnel in this connection, it is felt desirable to review the Company's policy with respect thereto. The program and the duties of our field organization in connection therewith are fully covered by the attached statement.

Your copy of this policy statement should be placed in your portfolio "Business Builders for Texaco Dealers" so that you will at all times have with you for ready reference a full explanation of the Company's TRA policy and the detailed instructions as to how you should function under the program.

We urge that you study this program carefully and familiarize yourself with it so that you will be in a position to discuss it freely and intelligently with your dealers and prospective dealers. We also call your attention to the importance our Company places on this program and urge that you give it the effort and attention it deserves.

Yours very truly,

J. O. Sanders

J. O. SANDERS

LEGjr-RR
Attach.
JOS-RJO-DD-JHB-ACK-[illegible]-JHM-[illegible]
RF-[illegible]-LES-[illegible]-IRA-JAO
Zone Managers
Dealer Service Representatives
Dealer Training Representatives

ACCTG. FILE DRIVE IN '55

9063

Cacp

JAX 485

Respondents' Exhibit 32B

FEDERAL TRADE COMMISSION

THE TEXAS COMPANY'S TBA PROGRAM

In order to repeat our selling presentation of the merits of The Texas Company's long standing TBA Program and to outline the duties and responsibilities of field personnel charged with carrying out this program, it is felt desirable to review fully herein the Company's policy with regard thereto. It is intended that these sheets be added to each salesman's portfolio "Suggested Readings For Texaco Dealers" and be made a part thereof, so that every salesman will at all times have with him the full explanation of the Company's TBA Policy and the detailed instructions as to how the selling organization should function under this program.

I. WHY THE TEXAS COMPANY HAS A TBA PROGRAM

It is recognized that most service station dealers cannot successfully sale and retain regular customers and reap full profits from their operations if only petroleum products are handled. Statistics prove that the average automobile owner patronizes an average of 3 regular service station dealer for his automotive necessities, short of major repairs. These necessities, commonly known in the industry as TBA merchandise, include tires, batteries, tubes, spark plugs, lamps, oil filters and other replacement items normally handled by most successful service station dealers, plus many of the "items of necessity" items.

The purpose of the Company's TBA program, therefore, is to encourage dealers to expand their business beyond the sale of petroleum products. To accomplish this, Texaco selling personnel should counsel with and continually assist Texaco dealers to establish and maintain necessary service to their customers, maintain an adequate and balanced stock of fast-moving TBA items and to improve their methods of merchandising so that they will be able to take full advantage of the profit potentials available to them through good service station operations.

II. WHY FIRESTONE AND GOODRICH LINES WERE SELECTED FOR RECOMMENDATION TO TEXACO DEALERS

The Texas Company believes that the TBA merchandise lines and merchandising policies of both Firestone and Goodrich offer many advantages to Texaco dealers, including a complete line of high quality automotive products to meet practically all the needs of the motorist. Firestone and Goodrich products have national acceptance, backed by extensive national advertising, and are distributed in all 48 states, with sales and delivery service available through more than 1,000 salary-operated supply points and numerous dealer operated stores which carry the complete line.

Another advantage of handling Firestone or Goodrich products is that the dealer can purchase his entire TBA requirements from one source, conveniently located, thus saving extra discounts through volume purchases. Both Firestone and Goodrich have extensive sales promotion programs designed expressly to fit the needs of their service station accounts. Point-of-Sale promotional material and co-operative advertising are available on a low-cost or no-cost basis. They also have large sales forces fully trained to assist the service station dealers to make the most of their TBA opportunities.

All these factors tend to increase the salability of Firestone and Goodrich products, and thus increase the profits of dealers handling such lines. Accordingly, The Texas Company recommends that its dealers handle Firestone or Goodrich merchandise.

Notwithstanding the fact that the Company recommends to its dealers certain lines of TBA merchandise, it should be clearly understood by all concerned that the Company has neither the right nor the desire to dictate to the dealer the brand or type of merchandise he should handle, or the source from which he should purchase such merchandise, or to require him to handle any TBA merchandise.

III. DUTIES OF TEXACO SALES PERSONNEL

(1) Each member of the field organization who normally contacts dealers, consignees, and distributors should clearly understand that even though The Texas Company does not handle tires, batteries, and auto supplies, it recognizes the advantages to be derived by the dealer from the handling of such merchandise and the necessity for the dealer to do so in order to be competitive, meet the requirements of his customers and enjoy more profitable operations.

(2) In order to present the merits of The Texaco TBA Program all selling personnel should be thoroughly familiar with the lines, the basic sales policies, the promotional programs and the merchandising programs of both Firestone and Goodrich, including establishment and maintenance of their "Suggested Basic Stock Assortment and Inventory Guide Systems."

(3) Before making definite recommendations with respect to TBA merchandise to a Texaco dealer, the Texaco representative should assist the dealer in analyzing the potential volume of TBA business that the dealer can reasonably expect within his specific trading area, and help him to secure at a basic minimum inventory that should permit adequate service of his particular market.

One of the important responsibilities of Texaco sales personnel is that they should continually be in position to advise dealers of forthcoming Firestone or Goodrich promotional programs so that the dealer can take advantage of every opportunity to increase his profits and be more competitive.

JAX 496

Respondents' Exhibit 32C

FEDERAL TRADE COMMISSION
DOCKET 6[illegible]
RESPONDENT EXHIBIT NO. [illegible]

(4) Any recommendation with respect to brand of TBA merchandise made by the Texaco representative should be predicated on the availability of a convenient source of supply, the frequency of contact and the type of service to be afforded the dealer by the wholesale [illegible]. A factor [illegible] be the supplier's ability and willingness to assist the dealer to be [illegible]. The established representative of the tire company in the area should also be [illegible].

(5) If, after a thorough and [illegible] presentation of the Company's [illegible] program and a full explanation of the merits of such program, the dealer should in [illegible] TBA merchandise express his preference for the Goodrich or [illegible] should promptly arrange to introduce to him a sales representative of the company [illegible]. It should be recognized at all times that the relations between the dealer and the company's representative, and any purchase arrangements resulting therefrom, are [illegible] tion. The Texaco representative, however, should be prepared and willing to [illegible] that may be requested of him by the dealer during such negotiations.

(6) The Firestone or Goodrich "Inventory Basis Stock Assortment and Inventory Guide System" is considered among the [illegible] methods available to assure the maintenance of a well balanced [illegible] of fast-moving TBA merchandise. The Texaco representative should [illegible] functions of the "Inventory Guide" and urge the dealer to consider its [illegible] it is consistent with good business management to maintain proper [illegible] explained to the dealer that this type of Guide can be of much value [illegible] it easier for him to buy only the merchandise needed. Texaco [illegible] the physical installation of the Inventory Guide System, but should [illegible] maintenance of the Guide until its use by the dealer becomes established [illegible].

(7) It has been said that merchandise well displayed is half sold. [illegible] of TBA products at service stations, like petroleum product displays, can be of [illegible] ing their sales and profits. It is also important that the price be prominently shown on all TBA merchandise displayed and that the merchandise be kept in a clean and orderly arrangement. To help attract more customers and make more sales, both Firestone and Goodrich make [illegible] pensive pricing kit as well as display packages containing up-to-date and [illegible] material.

Texaco representatives should urge dealers to take full advantage of the tire company's offer of assistance in improving their station's "sparkle" with displays that present an attractive appearance. The Company's selling personnel should assist dealers in utilizing all appropriate space available in them for building displays that will attract customers and increase sales.

(8) The regular order forms furnished by Firestone and Goodrich are to be carried by Texaco selling personnel at all times. At each visit to a service station, the Company's sales personnel should call the dealer's attention to the fact that as a further assistance to him in keeping his desired inventory balance, he will write up the dealer's order for the Goodrich or Firestone merchandise that is needed. Texaco personnel should personally mail or deliver such orders to the dealer's source of supply.

(9) Holders of The Texas Company's National Credit Cards are privileged to purchase Firestone or Goodrich TBA merchandise from Texaco dealers on their regular 30-day account, or may, when desired, extend their payments for such merchandise over a period up to 6 months. If properly presented by the dealer, this Texaco Deferred Payment Plan can be of material assistance to him in increasing his sales and profits without the necessity of tying up the dealer's working capital for accounts receivable. The Company's selling personnel should urge dealers to take full advantage of this dealer aid for the convenience of their customers, which is available without cost. The Texaco representative should also make sure that the dealer understands the proper handling of customer charges for TBA merchandise on The Texas Company's Deferred Payment Plan.

(10) Although reference is made hereinbefore to dealers, it should be understood that every phase of the TBA program is adaptable to TBA programs of consignees and distributors. Equal effort should be made by the Company's personnel to sell consignees and distributors on the merits of the program as a means of developing their dealers, and the benefits to be derived by adopting it for their own use.

The principles of the Texaco Selling Method are sound and appropriate and should be applied wholeheartedly by The Texas Company's selling personnel when selling the merits of or handling any phase of the Company's TBA program. The success of the TBA program depends upon the kind of selling job that is done. The handling of the TBA program with dealers is an important part of the regularly assigned duties of the Company's selling personnel. Nevertheless, the importance of respecting the independence of the Texaco dealer and his right to exercise his free and independent judgment on all matters and all phases of his business cannot be overemphasized.

9965

SALES DEPARTMENT
THE TEXAS COMPANY

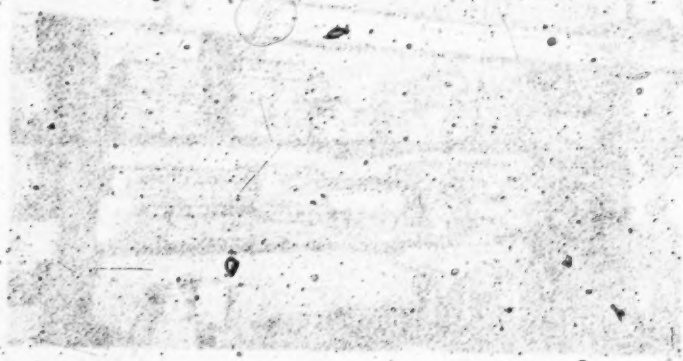
11-24-1939

[redacted]

[redacted]

[redacted]

[redacted]



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JAX 492

Respondents' Exhibit 39

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS

SALES DEPARTMENT
DENVER DIVISION
W. A. STRUPLE, DIVISION MANAGER

DENVER 1, COLORADO
April 14, 1939

FEDERAL TRADE COMMISSION
DOCKET NO. 4000 EXHIBIT NO. 39
IN THE MATTER OF B. F. Goodrich
DATE 7/24/39 WITNESS
ICC REPORTING CO. OFFICIAL REPORTERS
BY

Mac's Radiator Shop
Orson T. Mallaline
Broadway and San Luis
Alamosa, Colorado

Gentlemen:

Attached hereto is our Check No. 27745 which represents the extra discount you have earned during the past year on your Sales Agreement covering the purchase of Texaco Motor Lubricants. This sum represents to you an extra profit and we are pleased to see that you have availed yourself of this opportunity to increase your earnings. Extra profits are important to your business these days and we would like to be of as much help as possible to you in securing them.

In addition to increasing your earnings by increasing your lubricating oil sales, we suggest that there are also great opportunities for increased earnings in the sale of tires, tubes, and automobile accessories. If you are not already taking advantage of these opportunities, perhaps you should give consideration to doing so. The motorist today has learned to go to his service station for all his motoring needs. We feel that this presents to you a splendid opportunity for increased profits if you are adequately prepared to fill his needs.

The Texaco Representative in your area will be glad to assist you in the marketing of your TBA merchandise. If you are seeking a new line of TBA products, we will be glad to discuss it with you and give you the benefit of our experience and our help. You are free, as you know, to select any brand of TBA merchandise which you may elect and our only interest is to help you market that merchandise at a profit to you so that your business will be more successful in every way. You are handling high-quality petroleum products and the earnings that can be developed through a line of quality TBA merchandise should be very important to you in the operation of your station.

Please do not hesitate to call on us if there is any way in which we can be of help.

Yours very truly,

W. A. Struple,

W. A. STRUPLE
DIVISION MANAGER

9068

235

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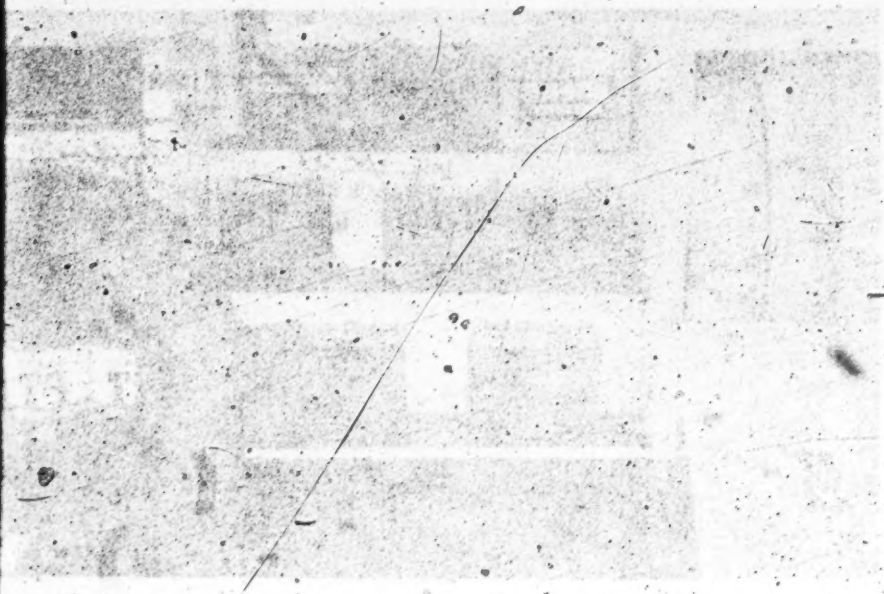

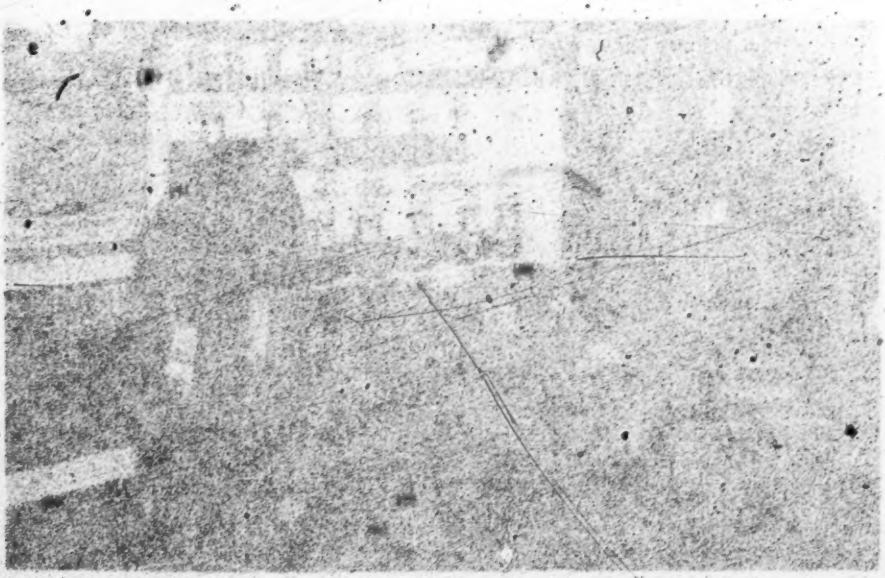

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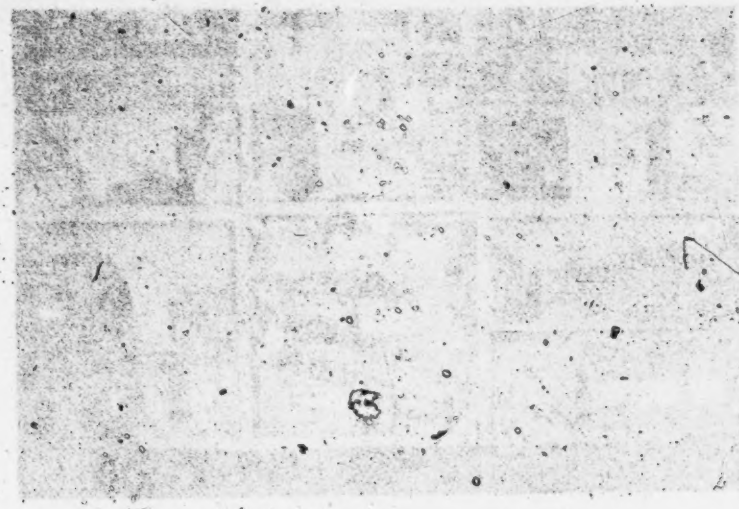

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JAX 400

Respondent Exhibit 400

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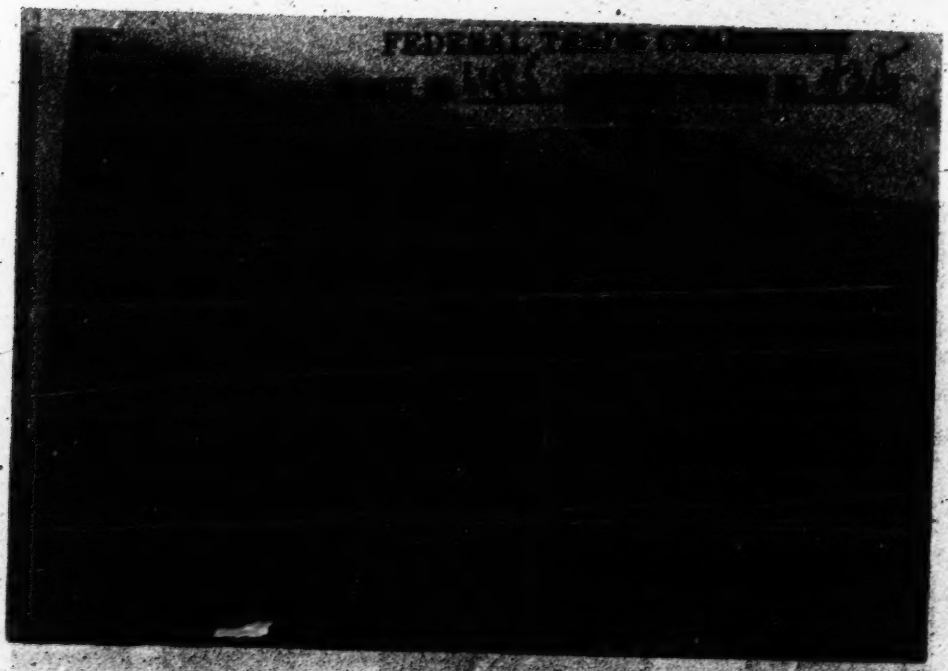

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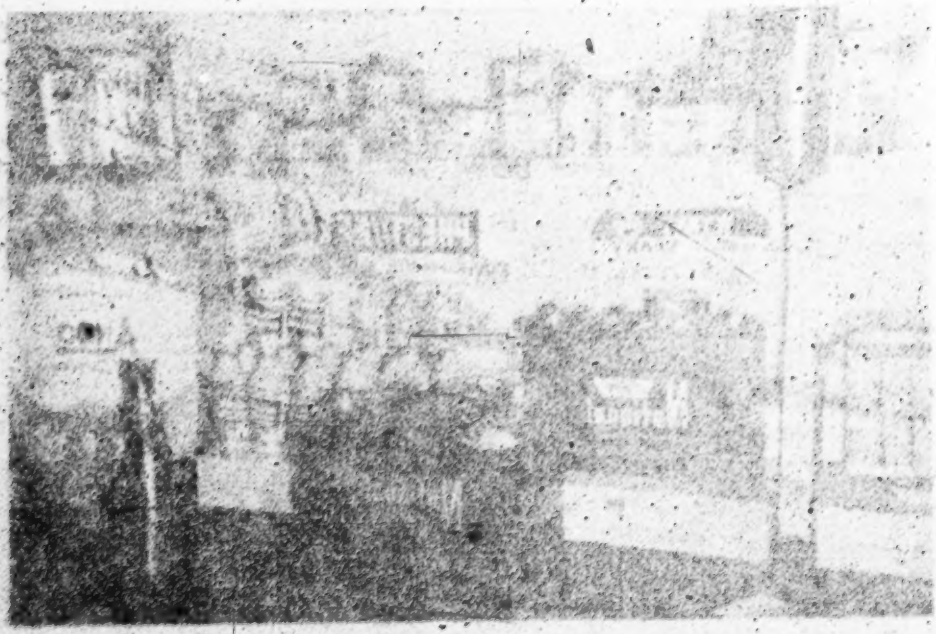

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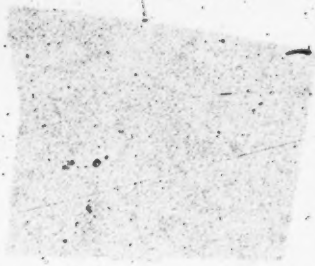

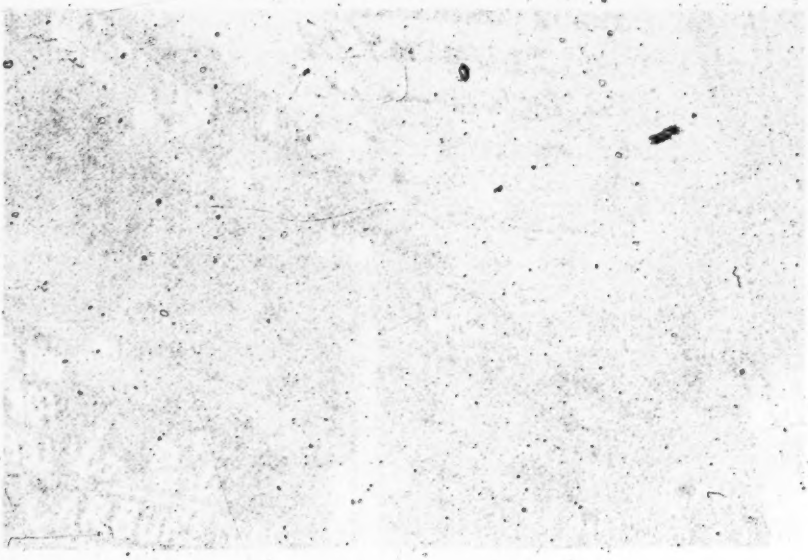

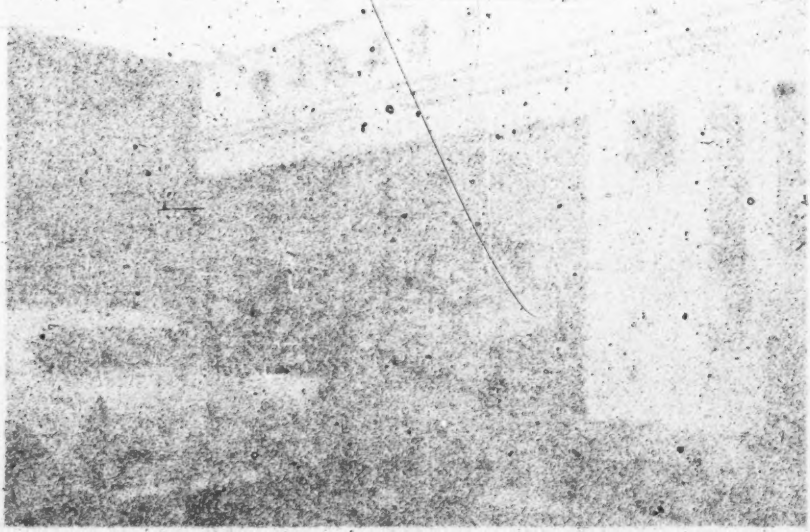

JAX 504

Respondents' Exhibit 48A

JAX 105

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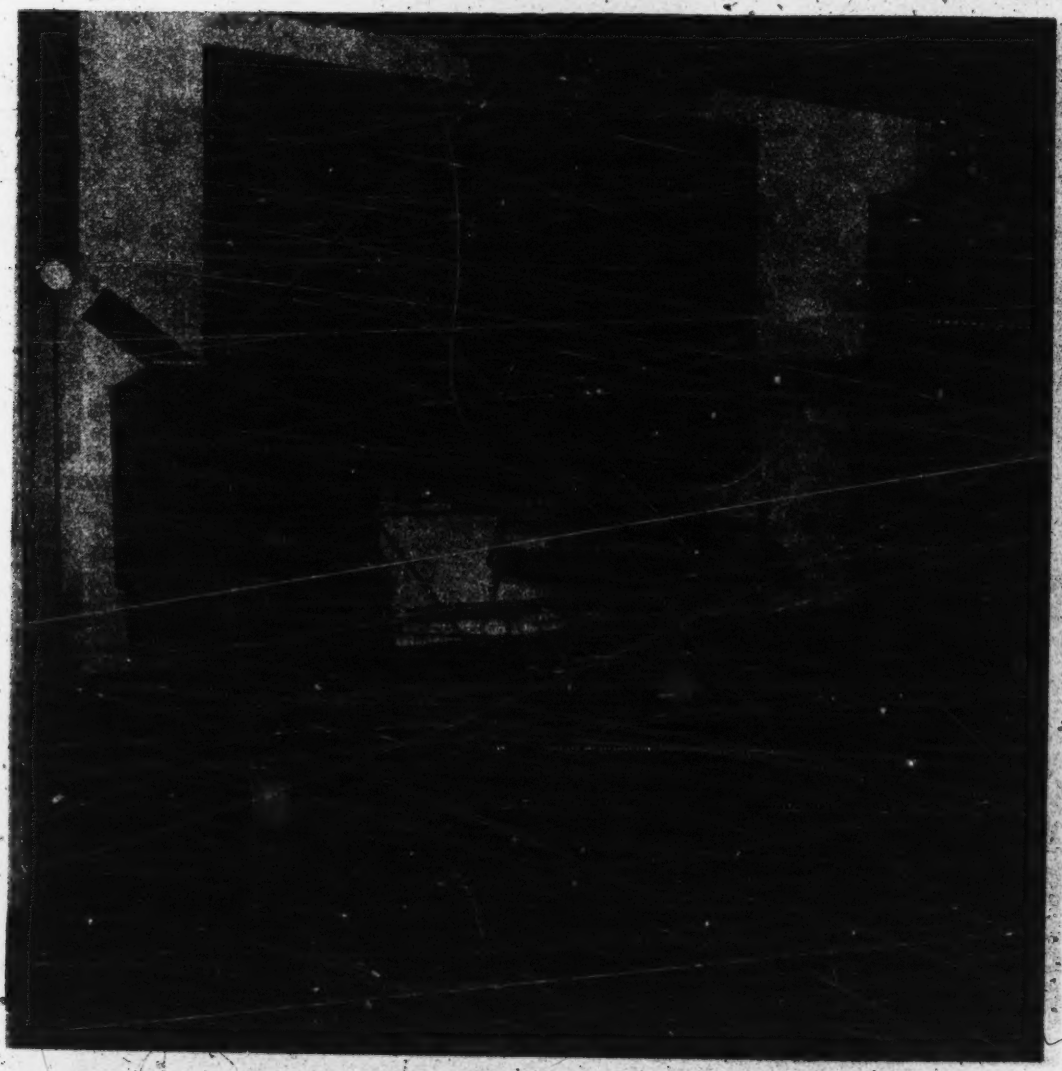
JAX 507

Respondents' Exhibit 49A

JAX 009

Respondents' Exhibit 4002



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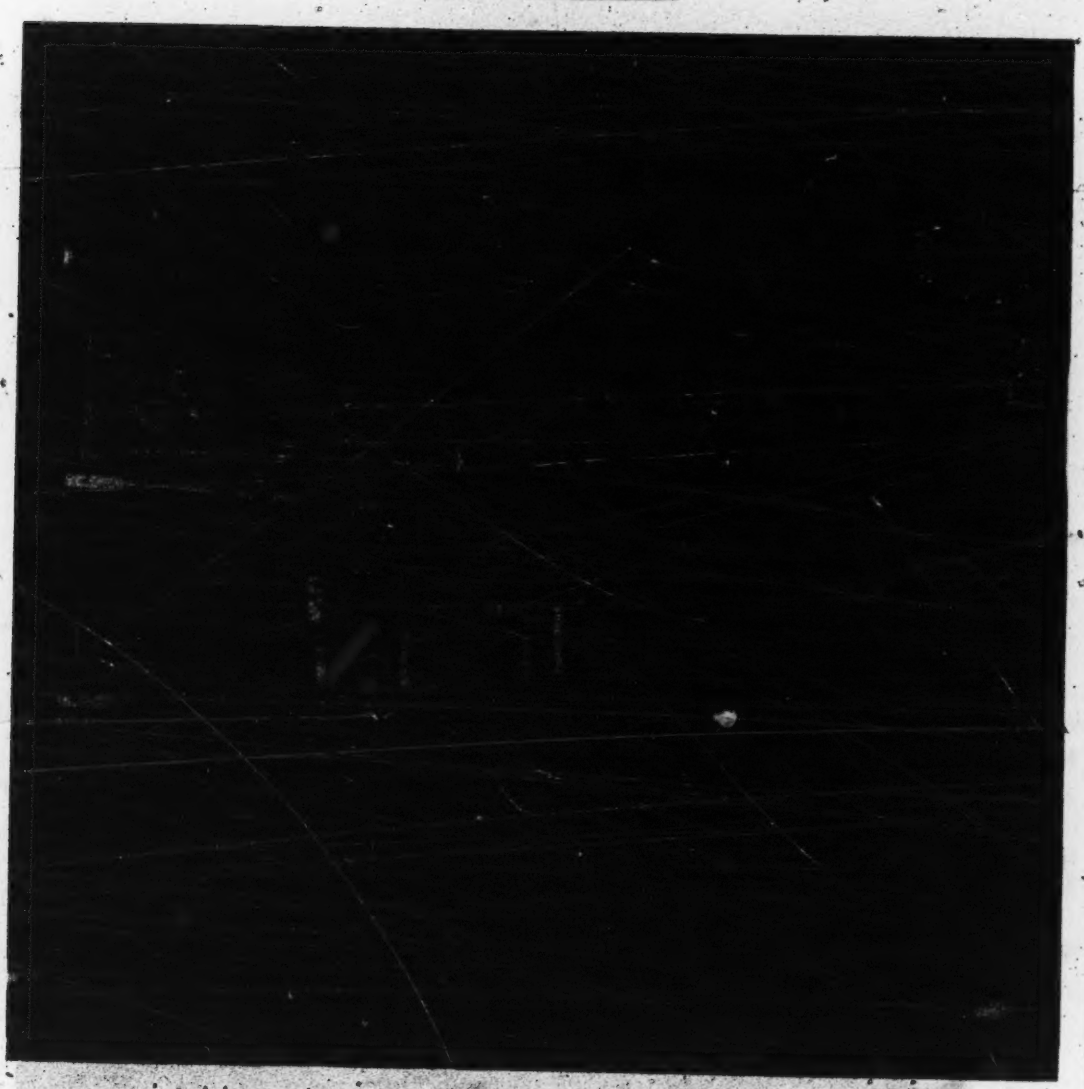

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JAX 512

Respondents' Exhibit 53

JAX 513

Respondents' Exhibit 54

Res 54

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS

SALES DEPARTMENT
INDIANAPOLIS DIVISION
NOVAK, DIVISION MANAGER

5561 EAST MICHIGAN STREET
INDIANAPOLIS 1, IND.

FEDERAL TRADE COMMISSION
COURT NO. 6[illegible] HOURLY EXHIBIT NO. 54
IN THE MATTER OF P. F. Novak
DATE 7/28/54 WITNESS [illegible]
ACE REPORTING CO. Official Reporters
By [illegible]

February 11, 1954

Mr. John E. Roessner
14th & Meridian
Indianapolis, Ind.

Dear Sir:

Attached hereto is our check which represents the extra discount you have earned during the past year on your Sales Agreement covering the purchase of Texaco Motor Lubricants. This sum represents to you an extra profit and we are pleased to see that you have availed yourself of this opportunity to increase your earnings. Extra profits are important to your business these days and we would like to be of as much help as possible to you in securing them.

In addition to increasing your earnings by increasing your lubricating oil sales, we suggest that there are also great opportunities for increased earnings in the sale of tires, tubes and automobile accessories. If you are not already taking advantage of these opportunities, perhaps you should give consideration to doing so. The motorist today has learned to go to his service station for all his motoring needs. We feel that this presents to you a splendid opportunity for increased profits if you are adequately prepared to fill his needs.

The Texaco Representative in your area will be glad to assist you in the marketing of your TBA merchandise. You are free, as you know, to select any brand of TBA merchandise which you may elect and our only interest is to help you market that merchandise at a profit to you so that your business will be more successful in every way. You are handling high-quality petroleum products and the earnings that can be developed through a line of quality TBA merchandise should be very important to you in the operation of your station.

Please do not hesitate to call on us if there is any way in which we can be of help.

Yours very truly,

THE TEXAS COMPANY

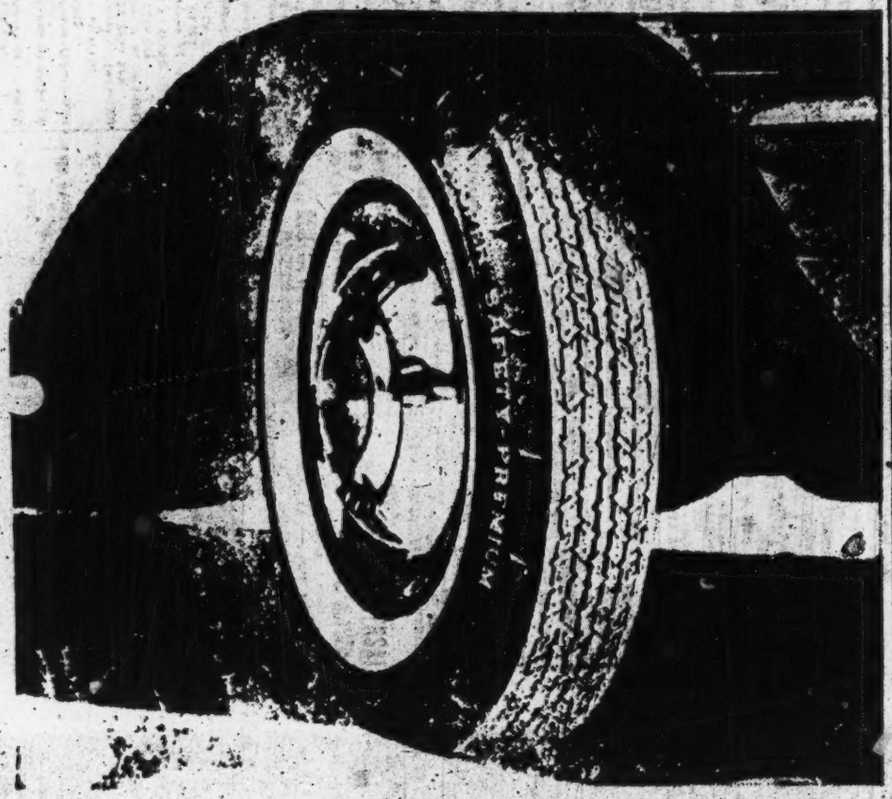
F. J. Novak

F. J. Novak
Division Manager

FJN:TV
enc.

FREEDOM
from tire trouble

...even at today's turnpike speeds



New Cooper
Safety-Premium nylon
with 3-Dimensional construction

Freedom from tire trouble is now yours to enjoy on any road and at any speed. And you get this comforting assurance for the normal trade-in life of your car when you ride on new Cooper Safety-Premium nylons. These are the tires that bring you the extra safety and greater life span of new Cooper "3-D" tubeless construction.

Never again the nightmare of a sudden blowout or puncture. Never again the worry about risky roadside tire changing, or the need for a "spare" to get you there. No worry either about the cost of replacing tires during the normal trade-in life of your car. With Cooper "3-D" Safety-Premium nylons you measure tread life in terms of years, instead of mileage. These tires are so good that they are even guaranteed against accidental road hazard damage.

A wonderful new experience of happier and safer driving is as near as your Cooper dealer. See him today for special introductory prices on new Safety-Premium nylons.

Buy Now For Dollars Less

TROUBLE-FREE GUARANTEE*

1. FOR 3 FULL YEARS against accidental damage—including bruises, breaks, blowouts, cuts, snags . . . and any road hazard failure.
2. FOR LIFE against defects in workmanship and materials—no limit on time or mileage.

*Guarantee subject to all Local and State Regulations.

3-D is the wonderful new development that adds an extra dimension of lasting dependability to nylon and rubber.

Cooper "Hi-T" Deluxe special

only **$12.45**

plus tax and recappable casing
6.70-15 black wall tube type
White walls also specially priced

Cooper TIRES

Respondents' Exhibit 56A

Resp Ex 56-A

ng Aid
d Supplies
Tall

conditioned Batteries
ry Repairing
State 6-2717

Blvd Ave ----- ST ste 6-2717
STA
Sherman Ln Lby 6-7740
RY STANDARD
7835 ----- LJ Lby 6-[illegible]

UL BATTERIES

AUTO-LITE
sta-ful

E TO BUY THEM"
STRIBUTORS
ELEC INC
450N Carl - ME tres 5-5991
INC
820E Troy Ave - ST ste 6-9211
DEALERS
S SERV CO
2839 S East - ST ste 4-0994
SERV STA
531 W York - ME tres 8-9056
XCHANGE
302 Shelby - ME tres 3-5450
V STA
1336 Shelby - ME tres 7-0827
E AUTO SERV CO
3856 E Mich - FL stand 7-0951
INC
Vermont - ME tres 4-8325
& SERV
7496 E Wash - FL stand 7-0801
ANCIS A GARAGE
1406 W Morris - CH apt 4-5025
ARAGE
02 S Meridian - ST ste 4-7539
SERV
Wrecker Service,
Co ----- ME tres 5-0176
E 88
3964 Bluff - ST ste 6-1997
3402 W 30 - WA tel 3-0722
STA
Delivery Service
---- CH ani 4-0651

Sales & Exchange
CHT. [illegible]
Machine Locations
ME tres 8-2561

Vice
4 Midwest - CH ani 4-0833
BER 88
S. Illinois - ME tres 4-0859
68
6313 W Wash - CH apt 4-1631

TERIES
ONG DISTANCE
Call
ME 7-7802
GUARANTEED—
ECONDITIONED BATTERIES
Clein - Owner
ONE NO. ME 3-3487
BATTERY CO.
TH OF SAM'S BOOKS
RIDGEWOOD AV

Batteries—Retail—(Cont'd)

S & D INDUSTRIAL BATTERIES—
DEALER
KIDWELL JACK ELEC CO INC
1331 N Cantonment - PE tres 3-[illegible]

COLE'S SUNKED SERV STA
Air Water-Free Pick-Up-Delivery
6300 Blanding ----- CL stand 5-0010

GOODEY'S ONE STOP STA
[illegible] Service - ME tres 1-5010

DALLAS & WHYDER'S GULF
SERV STA 4[illegible] - FL stand 7-0052

DAVE SINCLAIR TIRE STA
[illegible]

DELCO BATTERIES—
DISTRIBUTOR
INTERSTATE PETROLEUM CO
3001 Monroe - LJ Lby 7-0002
DEALERS
CARBURETOR SERV INC
3100 W York - ME tres 3-[illegible]
GARDS SERV 3[illegible] - ME tres 3-[illegible]
HAMPTON TERRACE SERV STA
[illegible] - CL stand 5-0041

ROSE TIRE CO INC
[illegible] - ME tres 5-7161
WRAY'S MONTIE AUTO SERV
1[illegible] - FL stand 7-[illegible]

East Side Super Serv Sta
3365 E 10 - ME tres 3-0379

EXIDE BATTERIES

THE HONEST, ACCURATE ADVICE OF THE DEALER LISTED BELOW WILL PROL LONG YOUR BATTERY'S LIFE

Exide

WHEN IT'S AN EXIDE YOU START

"FOR SERVICE CALL"
DEALERS
ASSOCIATED SERV CORP
1430 Kyle - ME tres 8-1306
HUNLEY'S SHELL SERV STA
2601 College - WA tel 3-5122
PEARSON'S SERV STA
4200 Lenox Ave - ST ste 4-0083

FERGUSON'S SHELL SERV STA
836 N West - ME tres 4-0721

FIRESTONE BATTERIES

Firestone Set-Charged Battery. Guaranteed Quicker Starts and Longer Life Because It Is Factory Fresh.

"WHERE TO BUY IT"
MANUFACTURERS
FIRESTONE TIRE & RUBBER CO
300 S Missouri - ME tres 7-5461
STORES
FIRESTONE STORES
500 N Delaware - ME tres 4-1346
FIRESTONE STORES
200 N Illinois - ME tres 4-2570
ASSOCIATE DISTRIBUTORS
BULLSBRIDGE RUBBER CO
401 S Illinois - ME tres 4-0859
FIRESTONE STORES
500 N Delaware - ME tres 4-1346
FIRESTONE STORES
200 N Illinois - ME tres 4-2570
DOWNTOWN DEALERS
CAPITOL CITY TIRE CO INC
425 N Delaware - ME tres 6-3422
EASTSIDE DEALERS
ENGLAND'S TEXACO SERV STA
2320 Kennedy Ave - ME tres 3-0011
MASON BROS TEXACO SERV STA
601 S Meridian - FL stand 7-0909
NORTHSIDE DEALERS
BOB'S TEXACO SERV STA
7039 Northwestern - LJ Lby 6-0163
CHAIN'S D-X SERV STA
1970 L 30 - ME tres 8-0930
HARPER'S SERV STA
7[illegible] - TR Lby 8-0730
HAROLD'S TEXACO SERV STA
4[illegible] - LJ Lby 6-0893

CONTINUED NEXT COLUMN

Batteries—Retail—(Cont'd)

FIRESTONE BATTERIES
CONTINUED FROM PRECEDING COLUMN
ON TRUCK DEALERS
BARFIELD TEXACO SERV STA
2310 Shelby - ST ste 4-0970
NEIGHBORHOOD DEALERS
MESSEL'S TEXACO SERV STA
4301 N W - CH apt 4-0908

Garfield Texaco Serv Sta
[illegible] - ST ste 4-0[illegible]

GENERAL BATTERIES—
SEAL TIRE CO 8[illegible] - WA tres 4-[illegible]

Gerald John H Serv Sta
[illegible] - ST ste 4-0[illegible]

Gu Gulf Square Serv Sta 1[illegible] - ME tres 7-[illegible]

GOODRICH B F BATTERIES—
DISTRIBUTOR
THORNTON'S [illegible]
STA [illegible]

GOODYEAR BATTERIES
[illegible]

BUCKEYE [illegible]
[illegible]

"WHERE TO BUY THEM"
BROAD RIPPLE WHEEL SERV
6303 College - CL stand 5-0971
DOOPENDER'S SHELL SERV
6561 N Illinois - CL stand 5-0930
COWAN'S SHELL SERV STA
1420 Broad - CL stand 5-0914
DERIDER PARKING INC
1300 Prom - ME tres 2-2565
DOYLE SHELL SERV STA
5060 Lee - LJ Lby 6-0942
DRAGA'S SHELL SERV STA
Road Service
4641 N Pennsylvania - CL stand 5-0908
GOODYEAR SERV STORES
6374 Broad - ME tres 5-1436
HICK'S SHELL SERV STA
2[illegible] - ST ste 4-0880
KEARNS SHELL SERV STA
3401 Lafayette - WA tel 3-0[illegible]
KIEPHER SHELL SERV STA
1901 E Wash - FL stand 7-0730
LATTIMORE G C SHELL SERV STA
3355 N Keystone Ave - WA tel 3-0[illegible]
MOORE'S SHELL SERV STA
2163 Shelby - ST ste 4-0990
PITTMAN'S SHELL SERV STA
7631 Pendleton - LJ Lby 6-0961
QUINN'S SHELL SERV STA
3214 W Wash - CH apt 4-0097
W'S SUPER SERV INC
3001 W Morris - ME tres 7-1378

GOODYEAR SERV STORES
6374 Broad - ME tres 5-1436

GOULD AUTOMOTIVE BATTERIES—
STATE DISTRIBUTOR
IND TIRE & RUBBER CO
[illegible]
DEALERS
HAYS'S LU WAMPTON SERV STA
[illegible] - WA tel 3-[illegible]

HARTSOCK SERV STA
New, Reconditioned & Used Batteries
1[illegible] Shelby ----- ME tres 7-0827

HOUSE AUTO SUPPLY
Sell Sell All under Automobile Parts & Supplies, New Used
3[illegible] - ME tres 3-[illegible]

HUNTSMAN SERV STA
1010 S Meridian - ME tres 3-[illegible]

Ind Battery Co
[illegible] Advertisement this Space!
1[illegible] - ME tres 7-[illegible]
Mobile Travelers Call Long Distance and ask for Wally Sandy and Tho[illegible] job for the number ME 5-[illegible]

JONES BATTERY & TIRE SERV
WILLARD BATTERIES
MUNSINGWEAR
TIRES — ROAD SERVICE
710 E 22 ----- WA tel 4-[illegible]

Batteries—Retail—(Cont'd)

Midwest Lee Standard Serv Sta
[illegible] - FL stand 7-[illegible]

MARATHON SERV STA
[illegible] - ME tres 3-0879

MASON BROS SHELL SERV STA
1501 Prospect - ME tres 8-[illegible]

Meridian Standard Serv Sta
2633 Shelby - ST ste 4-0[illegible]

MODEL TIRE CO INC
[illegible] S Meridian - ME tres 7-[illegible]

MOON'S SERV STA
[illegible] - ME tres 7-[illegible]

MOUNTAIN'S STANDARD SERV
3406 N Illinois - ME tel 3-[illegible]

NEW-O-LITE BATTERIES
[illegible]

NITRO-LITE
BATTERIES
[illegible]
"WHERE TO BUY THEM"
MANUFACTURER & WHOLESALER
NITRO-LITE BATTERY CORP
[illegible] - FL stand 6-1[illegible]
DISTRIBUTOR
[illegible] WASH CO
3356 Madison - ME tres 7-2521
SALES & SERVICE DEALERS
ASHBY'S TEXACO SERV STA
[illegible] - FL stand 7-[illegible]
ASSOCIATED SERVICE CORP
1430 Kyle - ME tres 8-1306
BOULEVARD 66 SERV STA
1501 W York - ME tres 8-[illegible]
BRUCE SERV 1[illegible] - ME tres 3-[illegible]
CARMEL SERV 5[illegible] - ME tres 3-[illegible]
CARSON SERV STA
2179 Bluff - ST ste 4-[illegible]
EAST SIDE SUPER SERV STA
Genuine Texaco
2301 E 10 ----- ME tres 3-0379
MODEL TIRE CO INC
3[illegible] - ME tres 7-3[illegible]
MOULE GARAGE
3045 S Meridian - ST ste 4-[illegible]

[illegible]
[illegible] - ST ste 7-[illegible]

OTE'S STANDARD SERV STA
3[illegible] - WA tel 3-0439

PAT'S AUTO SUPPLY
2430 Shelby - ST ste 7-1177

PAVY'S TIRE CO 227 E [illegible] - ME tres 3-[illegible]

Pure Tire Co Inc 1[illegible] - ME tres 3-7461

Stinson's Serv Sta 2[illegible] - ST ste 4-[illegible]

TANEY MOTOR SERV
Open 24 Hrs. Service & Parts
[illegible] - ME tres 8-0176

Tillman's Serv Sta 1339 Shelby ---- ST ste 4-0932

UNIVERSAL BATTERIES

QUALITY
SINCE 1898
[illegible]
OF BATTERIES
FOR
[illegible]
UNIVERSAL
"THE HEART OF YOUR CAR"
"WHERE TO BUY THEM"
DISTRIBUTOR
[illegible] BATTERY CO
1[illegible] - ME tres 3-4[illegible]
DEALERS
[illegible] & CARSON INC
[illegible] - ME tres 7-0951
[illegible]
[illegible] - WA tel 3-0[illegible]
F & M TEXACO SERV STA
[illegible] - CL stand 5-0[illegible]
GUNN'S SERV STA
4[illegible] - CL stand 5-0[illegible]
MASON BROS 8[illegible] STA
2741 S [illegible] - ST ste 4-0[illegible]
PAVY & TIRE CO [illegible] - ME tres 3-0[illegible]
WALT'S GARAGE [illegible]
[illegible] - ME tel 3-[illegible]
[illegible] - WA tel 3-[illegible]

Lock Battery & Ignition Co
[illegible] Wash - FL stand 7-0942

9084

JAX 516

Respondents' Exhibit 56B

FEDERAL TRADE COMMISSION

Tires—Dealers—New

Tires—Dealers—New—Cont'd

"WHERE TO GET TIRES"

DISTRIBUTOR

DUNLOP TIRES

"WHERE TO GET IT"

25 YEARS OF TIRE SERVICE

5-LOCATIONS

MICHELIN "GET ALIC"

Firestone TIRE

GET REAL at Wholesale Prices

• PASSENGER
• TRUCK
• TRACTOR
• INTERCAR
• RECAPPING

ME LINDEN 4-8859

BULLERDICK TIRE CO. COMPANY

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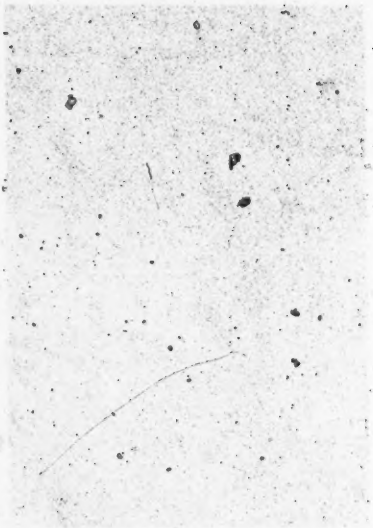
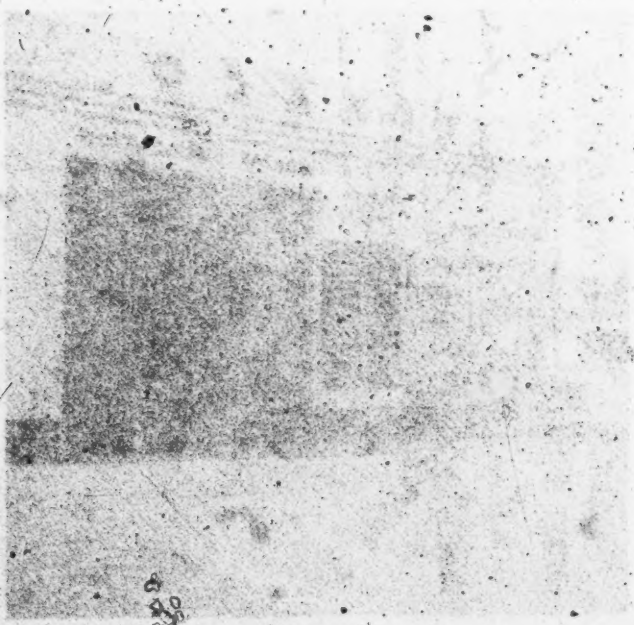
JAX 618

Respondents' Exhibit 68





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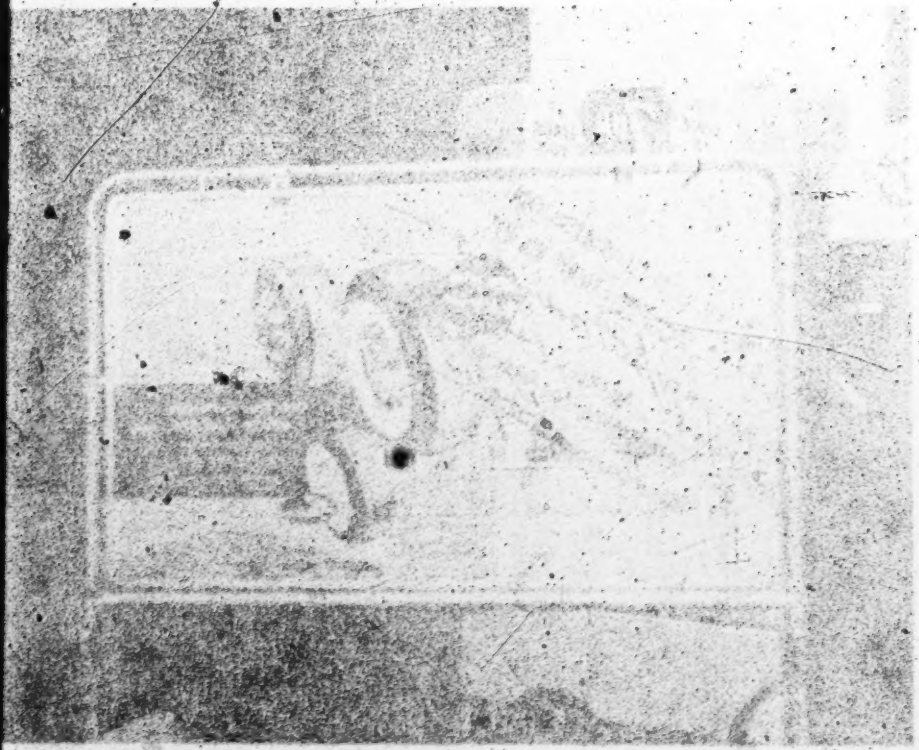
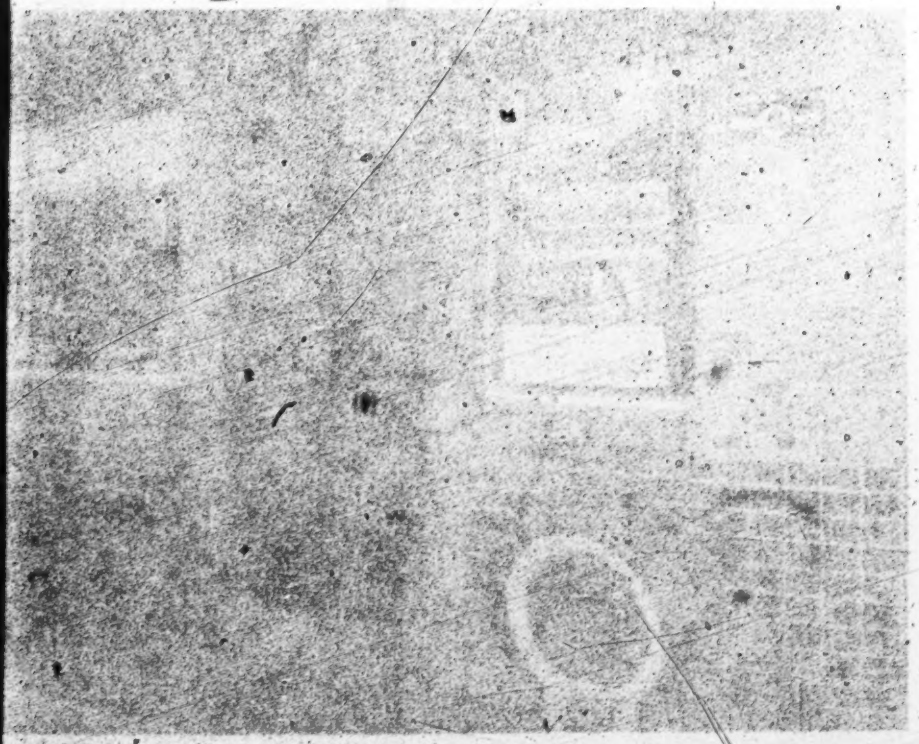
JAX 80

Respondents' Exhibit 80



JAX 521

Respondents' Exhibit 61



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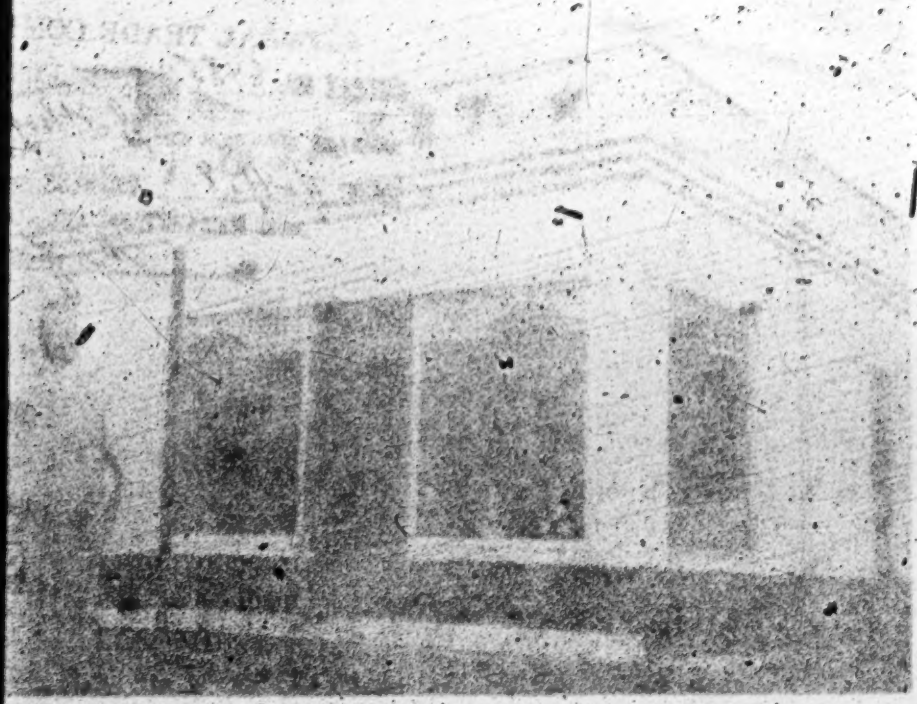

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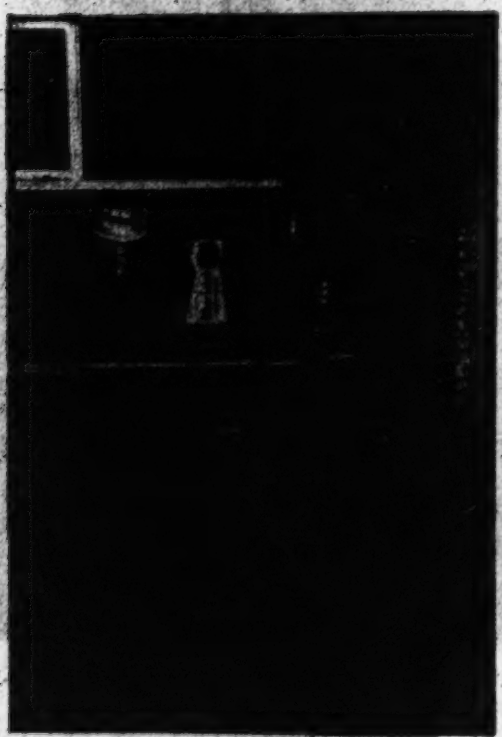
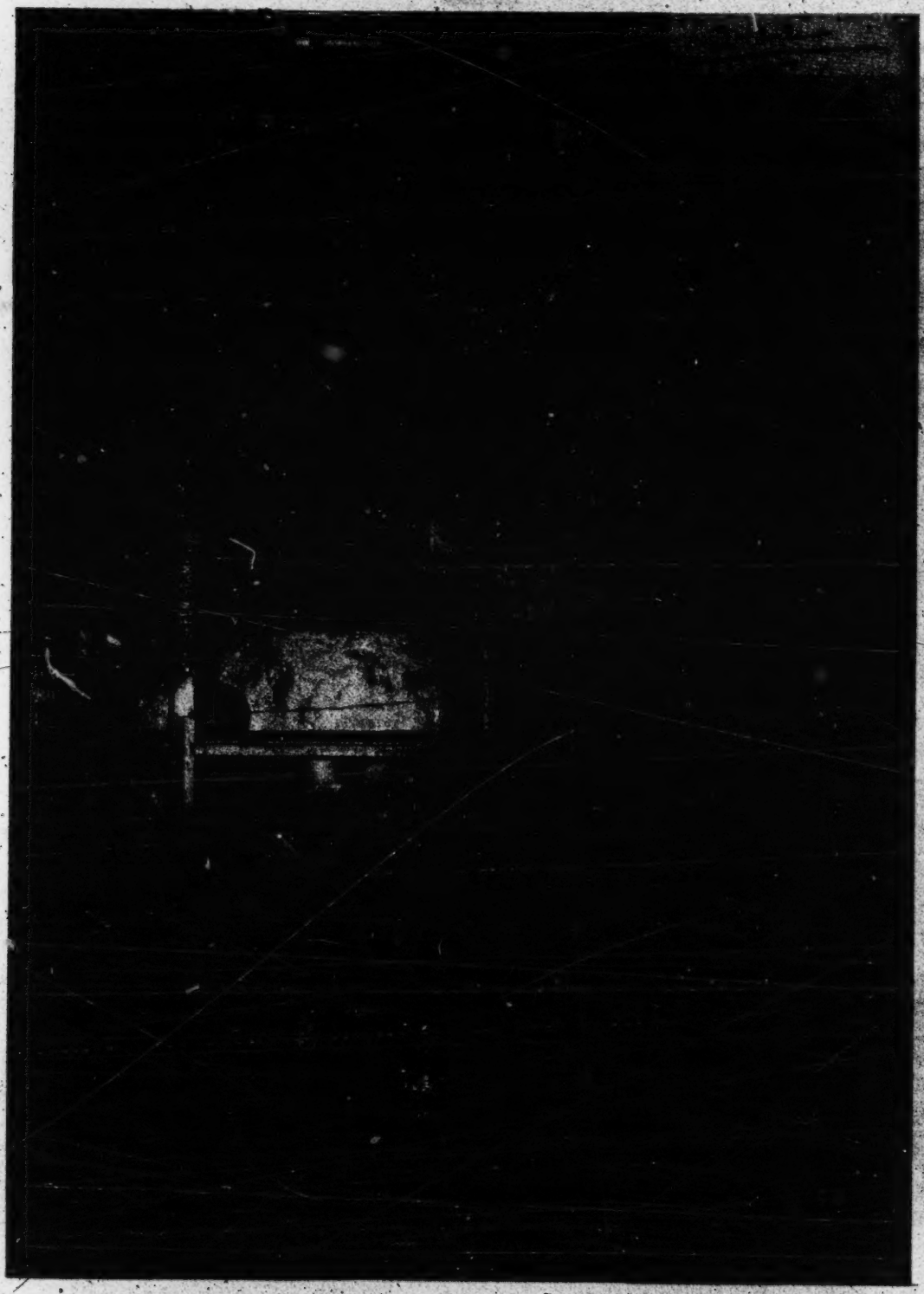
JAX-[redacted]

Respondents' [redacted]



JAX 530

Respondents' Exhibit 66A



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JAX 538

Respondents' Exhibit 67

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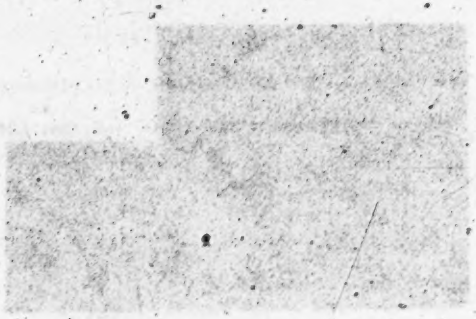


JAX 534

Respondents' Exhibit 66A

BAILEY'S SERVICE

FEDERAL TRADE COMMISSION

IN THE MATTER OF

DATE

ACE REPORTING CO.

5034

JAX 535

Respondents' Exhibit 66B

DISTRIBUTORS OF GATES BATTERIES

AUTOMOTIVE REPAIRS AND ACCESSORIES

Rx 66B

Repair Order

BAILEY'S SERVICE

TEXAS OIL PRODUCTS

PHONES: MA 2-0100, MA 2-0617

21ST AND COLLEY AVENUE

Norfolk, Va. _____ 195__

Nº 300

PARTS USED

QUAN.	ARTICLE OR SERVICE	PRICE
	TOTAL PARTS	

Name _____

Address _____ Phone No. _____

MAKE OF CAR	YEAR	LICENSE	COLOR

TOTAL PRICE LABOR	
TOTAL PRICE PARTS	
TOTAL AMOUNT	

FEDERAL TRADE COMMISSION

This Labor and Material is ordered by me for which I have authority to order to be listed at your regular prices.

I agree to pay cash when work is completed, or on undisputed items to you and until paid in full, it shall constitute a lien on this automobile.

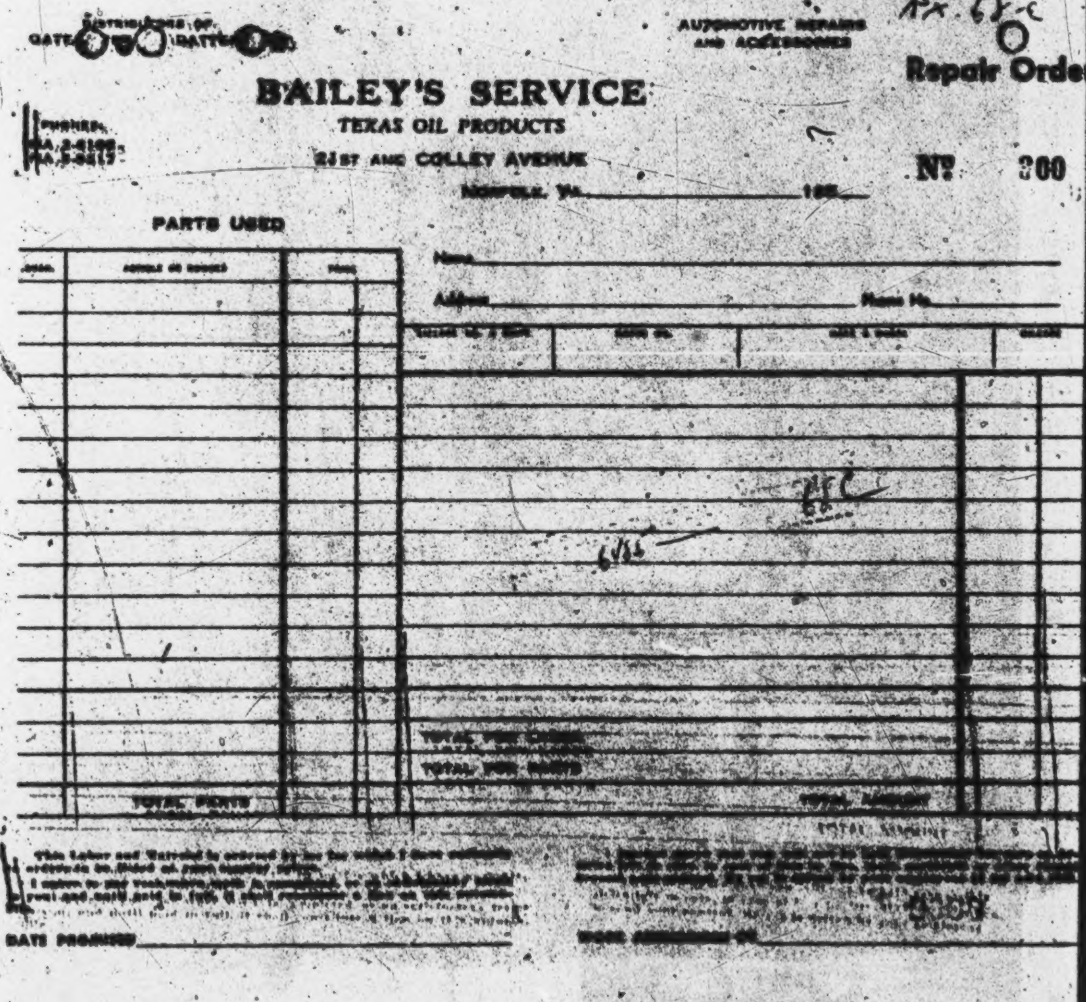
DATE PROMISED _____

I further agree that you will not be held responsible for loss or damage to my car, or any of its equipment or contents, or other property beyond your control, by fire or theft, by your employees or not your own fault.

WORK AUTHORIZED BY _____ 9035

JAX 536

Respondents' Exhibit 68C



DISTRIBUTORS OF

AUTOMOTIVE REPAIRS
AND ACCESSORIES

Rx 68-C

Repair Orde

BAILEY'S SERVICE

TEXAS OIL PRODUCTS

21ST AND COLLEY AVENUE

NORFOLK, VA. ______________ 195__

PHONES:
MA 2-6166
MA 2-9217

Nº 300

PARTS USED

QUAN.	ARTICLE OR REPAIRS	PRICE

Name ______________

Address ______________ Phone No. ______________

LICENSE No. & STATE	MOTOR No.	MAKE & MODEL	CHARGE

68C

6/55

TOTAL FOR LABOR

TOTAL FOR PARTS

TOTAL PARTS

TOTAL LABOR

TOTAL AMOUNT

[illegible]

DATE PROMISED ______________

WORK AUTHORIZED BY ______________

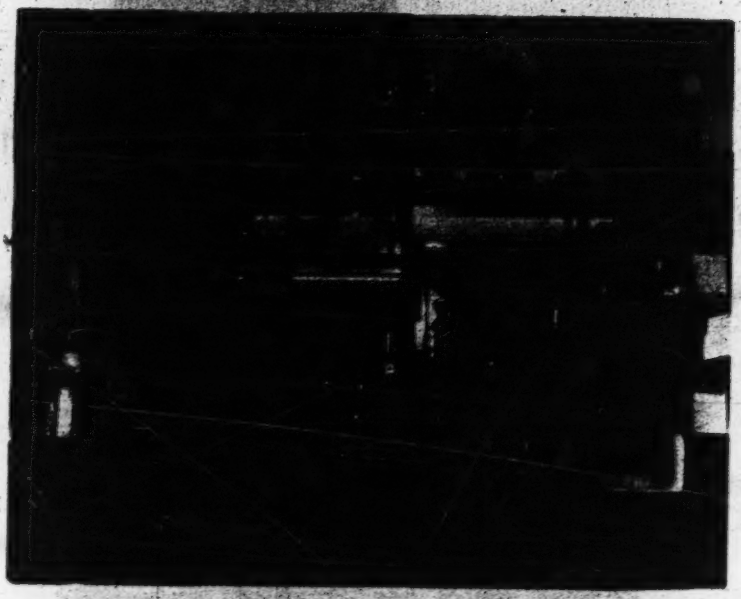
[redacted]

[redacted]

[redacted]

JAX 589

Respondents' Exhibits 70A-70B



JAX 540

Respondents' Exhibit 71

[redacted]

[redacted]

JAX 541

Respondents' Exhibit 72A

[redacted]

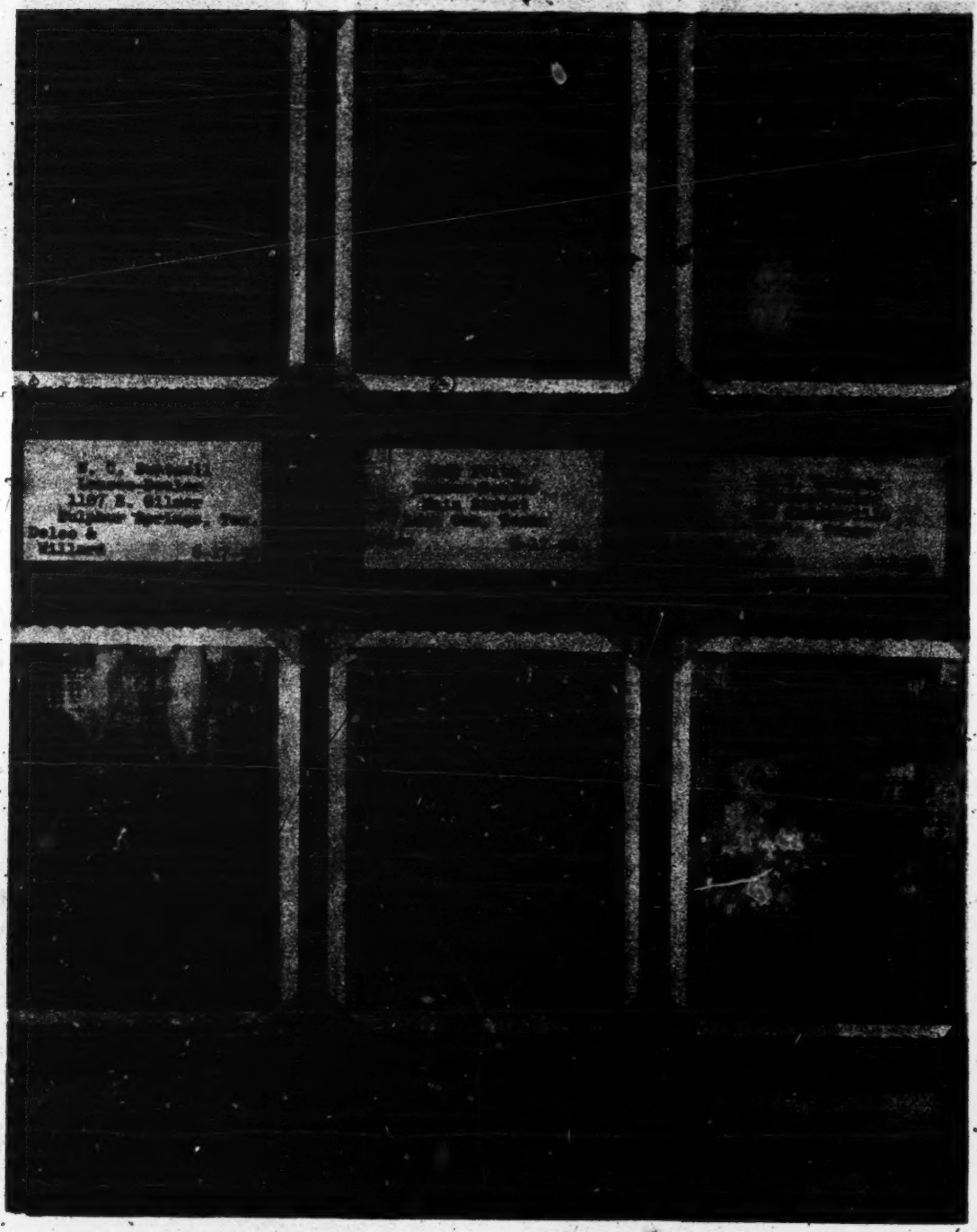
[redacted]

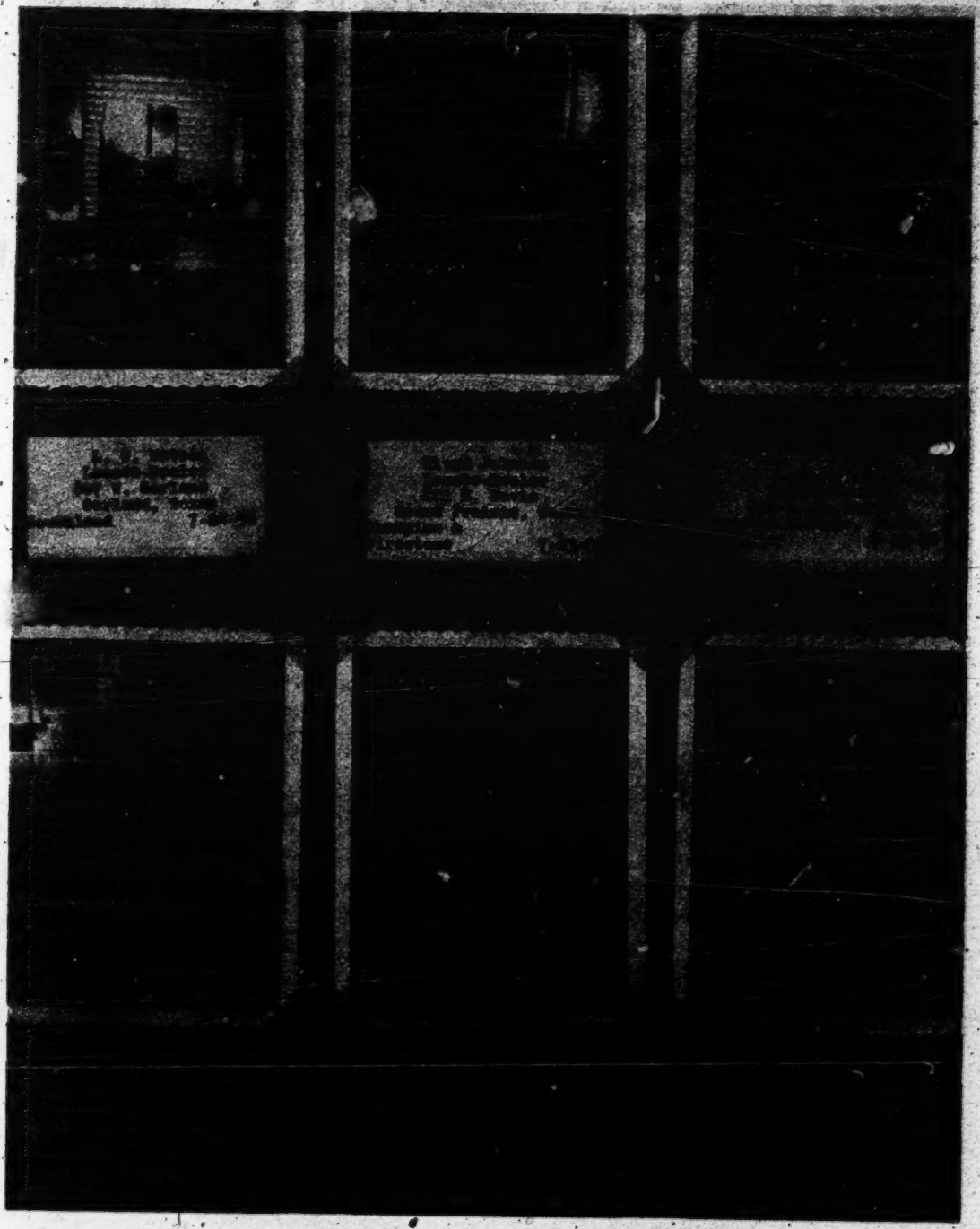
[redacted]

[redacted]

DEX 548

Respondents' Exhibit 73D


E. C. Bakwell
Interior Designer
1107 E. Gilmer
Delphian Service, Inc.
Dolge &
Williams



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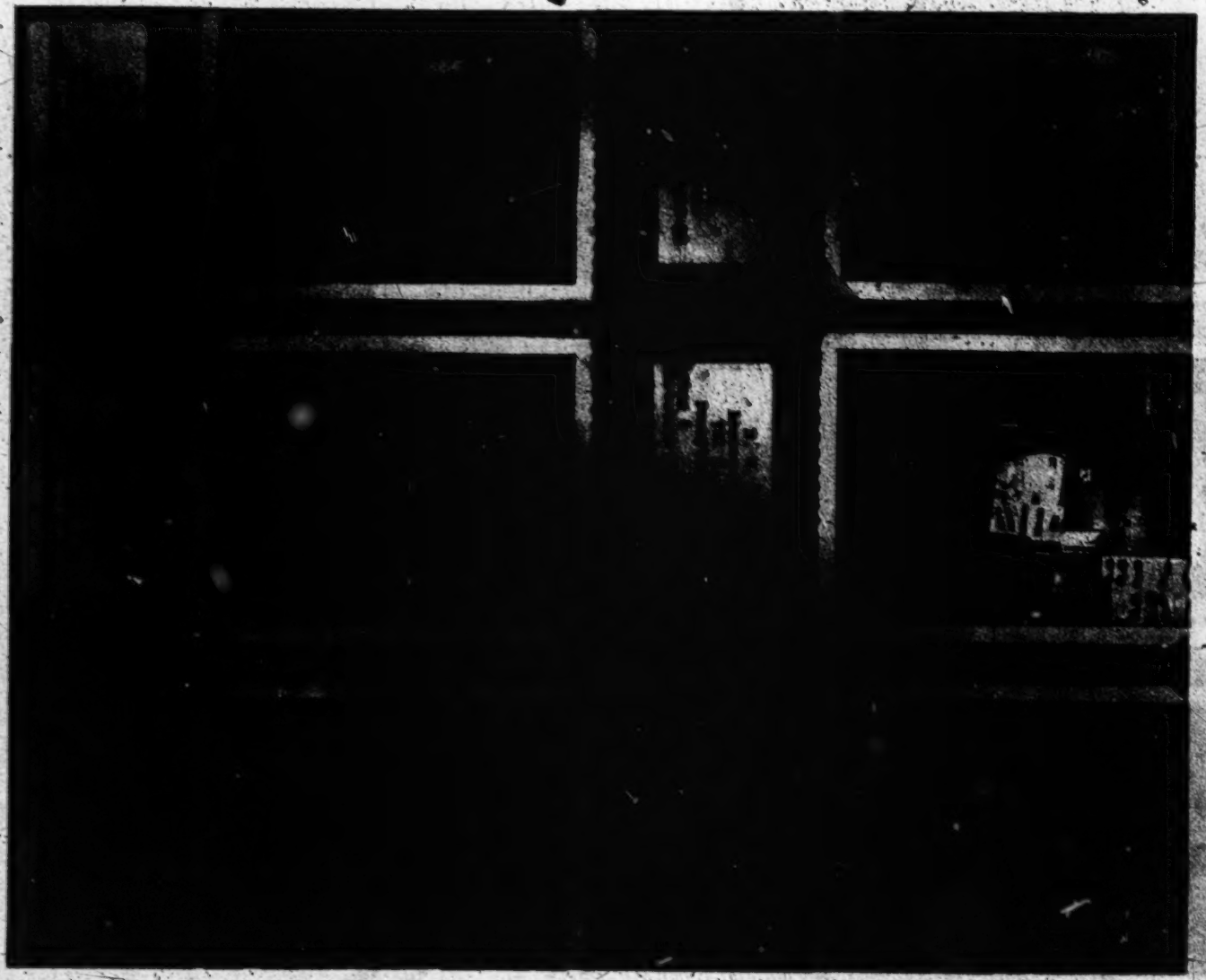
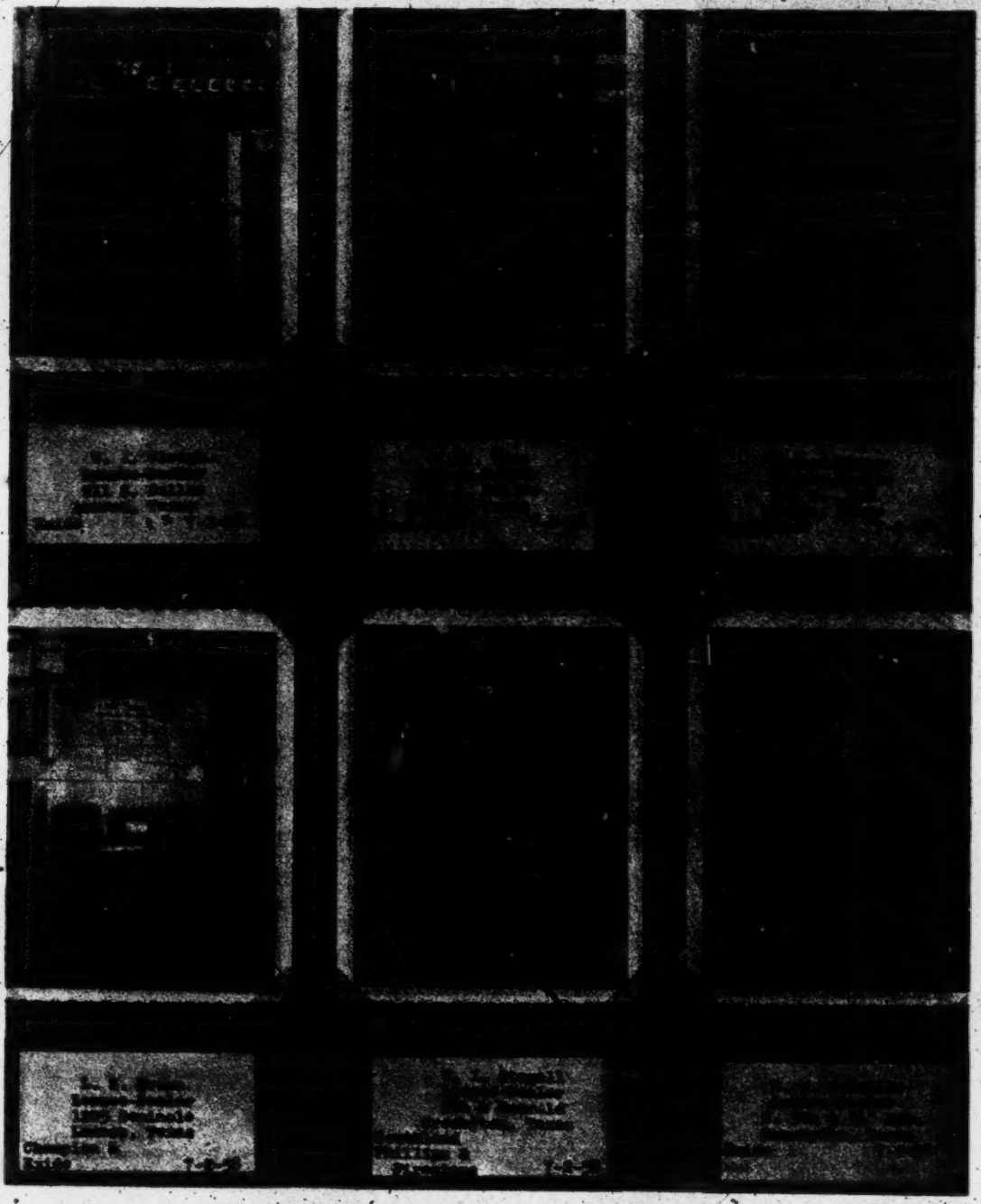
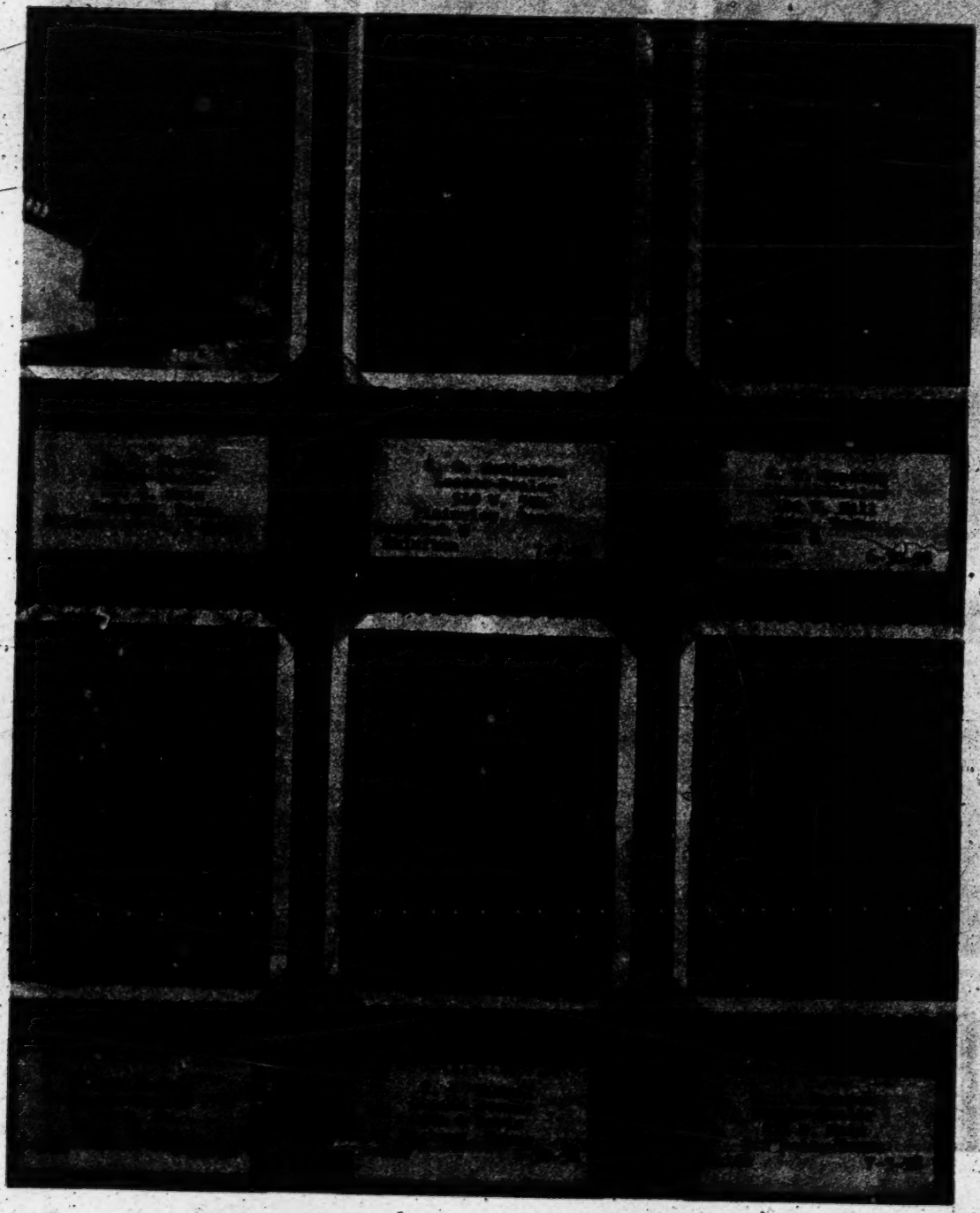


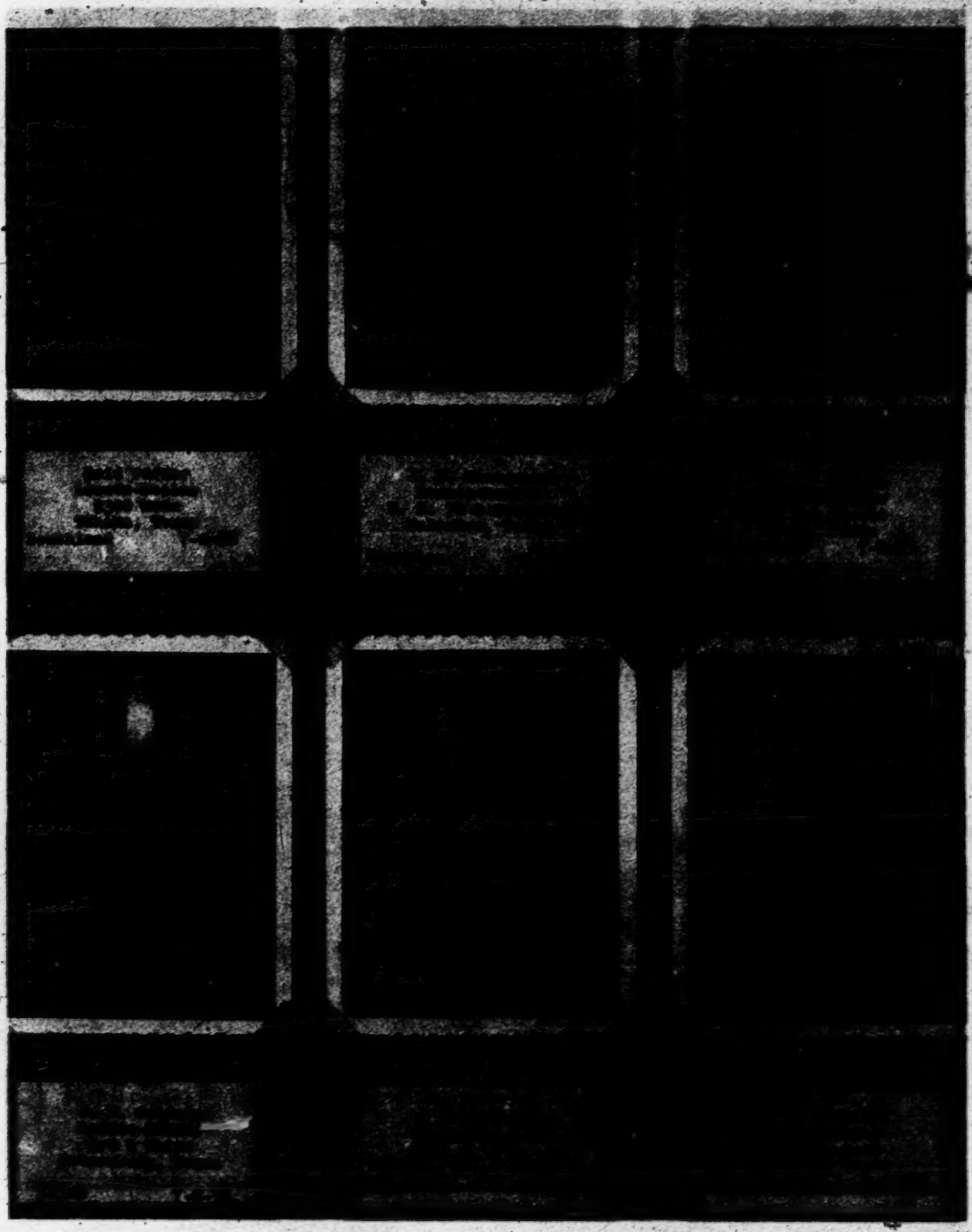
JAX 550

Respondents' Exhibit 74-7



JIX 306
Respondent Exhibit 749





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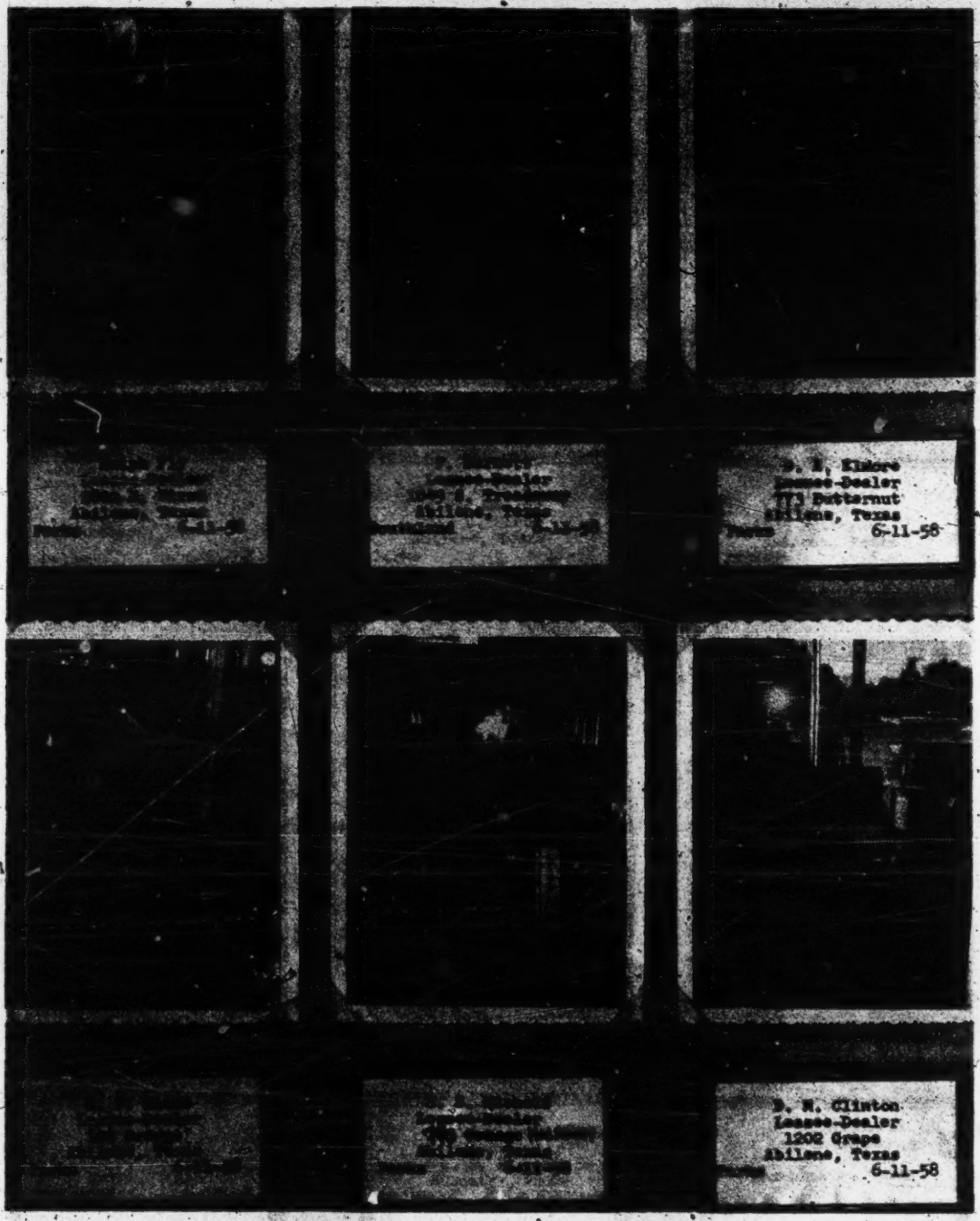
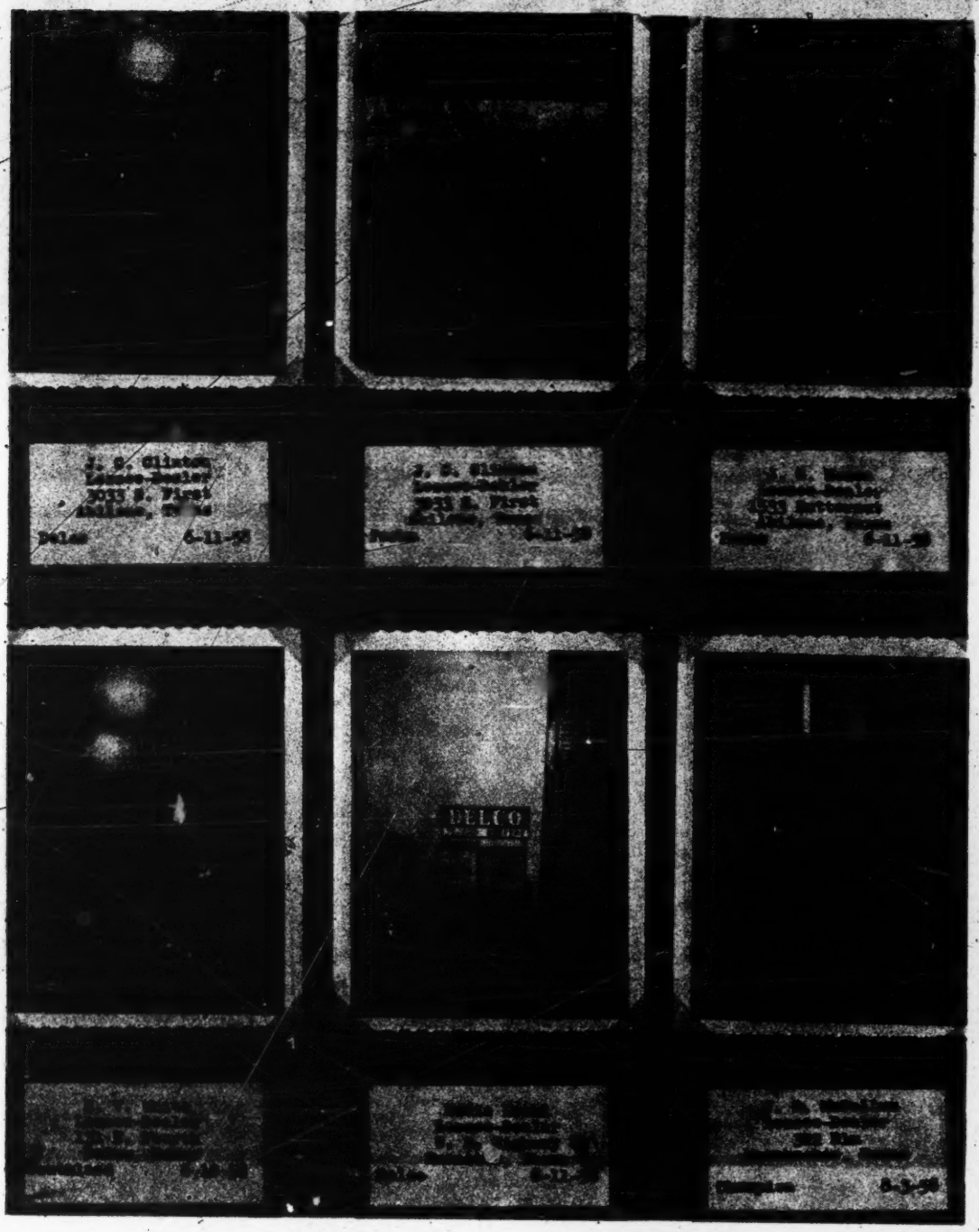
Respondents' Exhibit 74-12



JAX 560

Respondents' Exhibit 74-14



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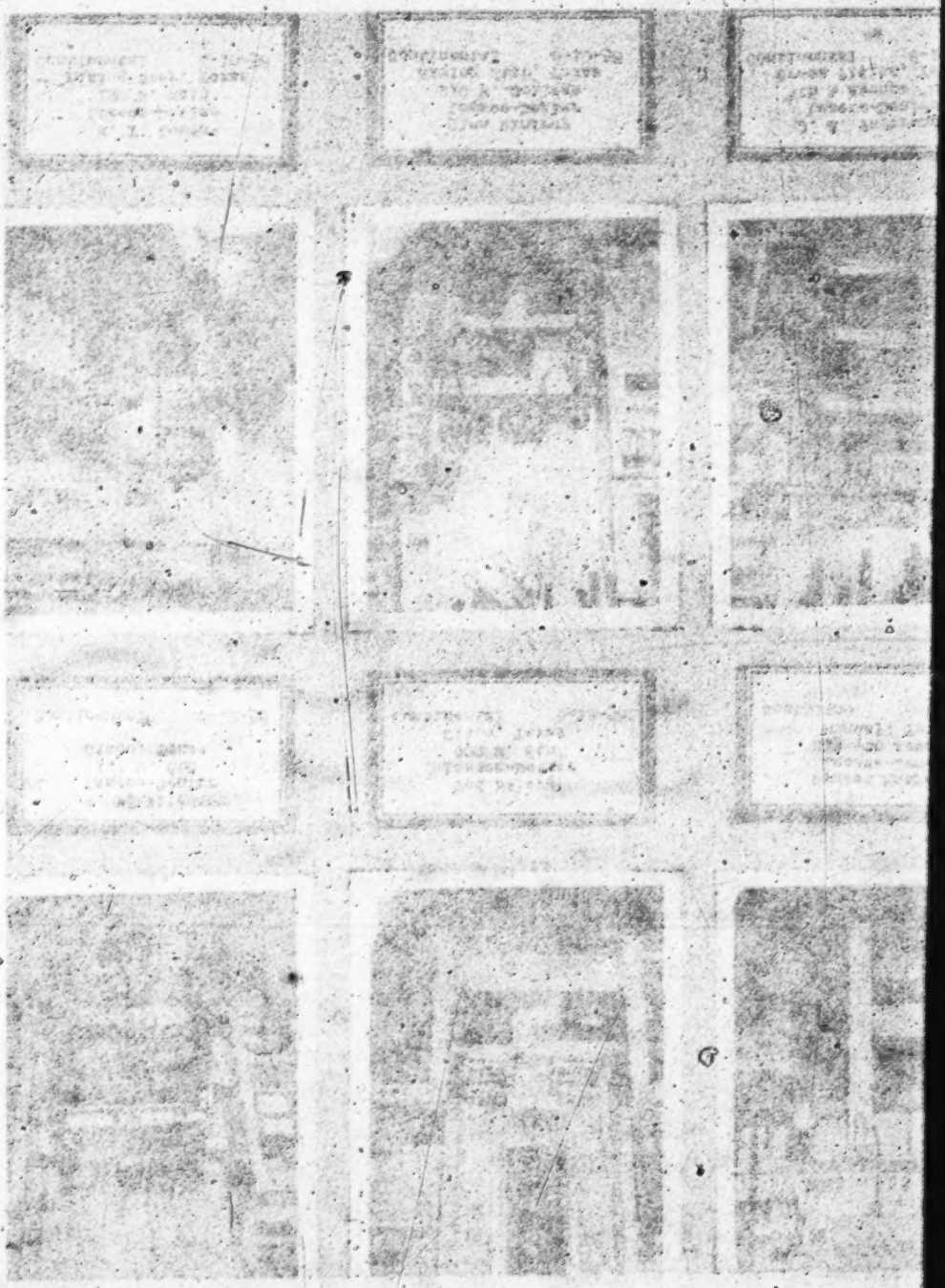
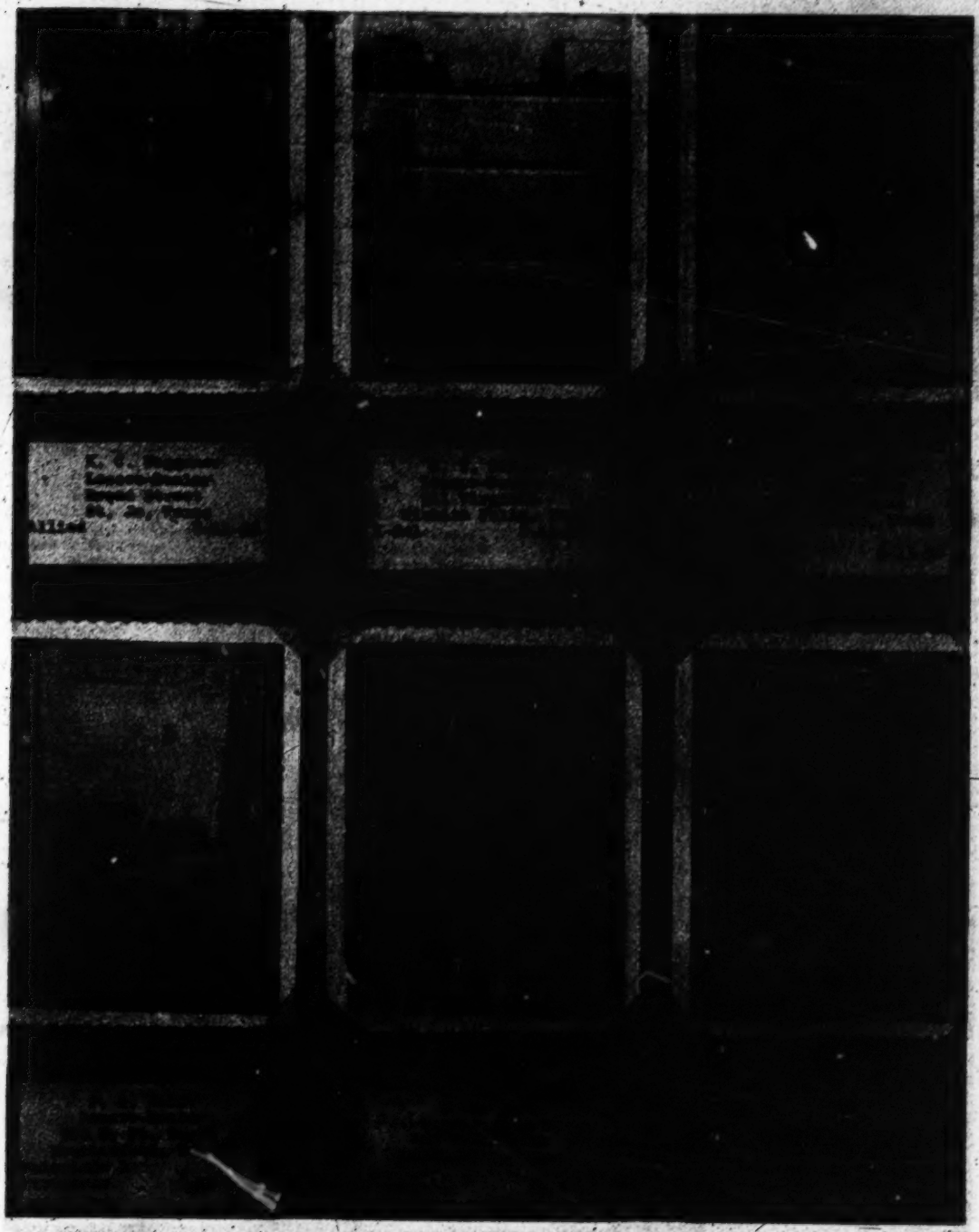
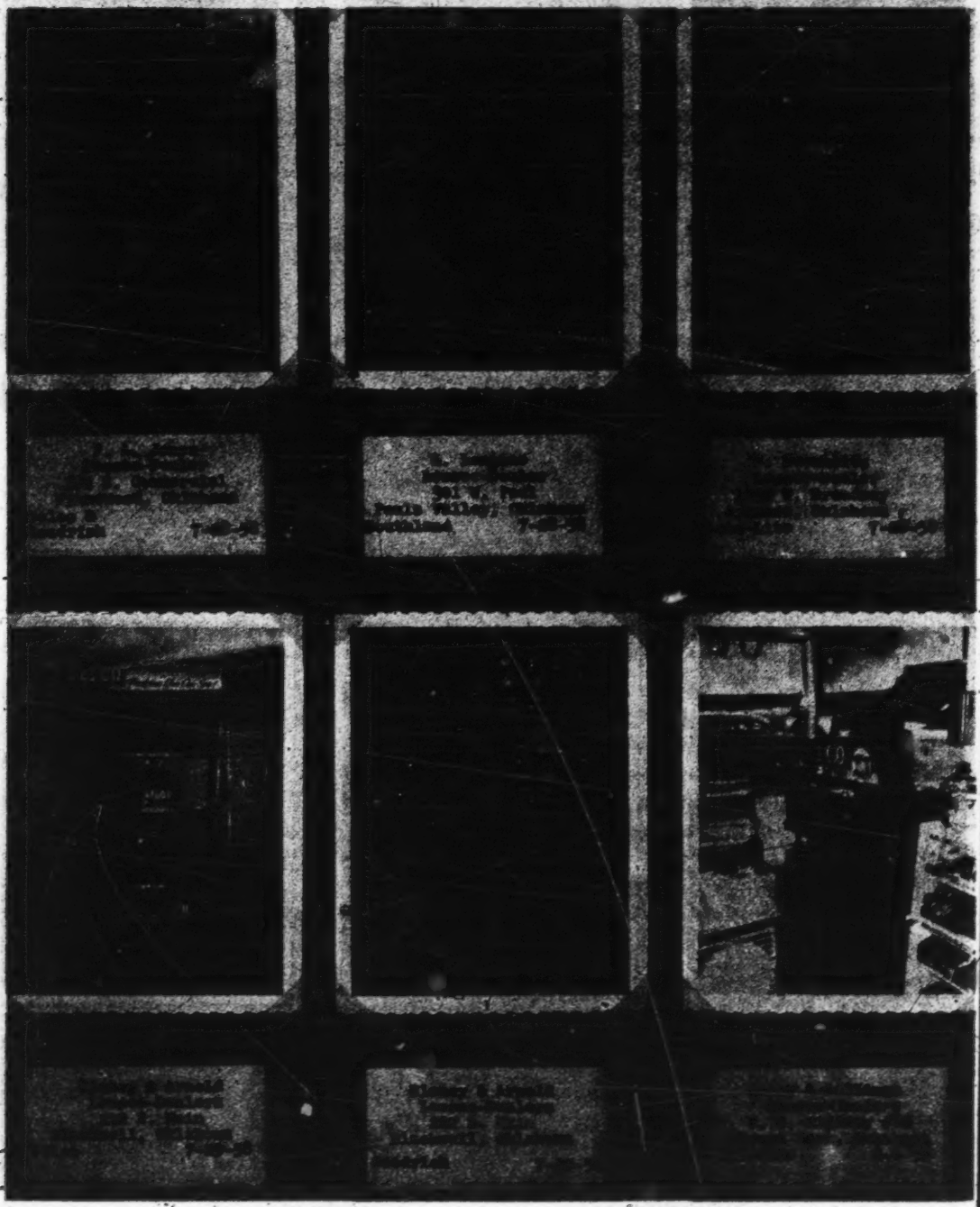




JAX 305
Respondent' Exhibit 74-28

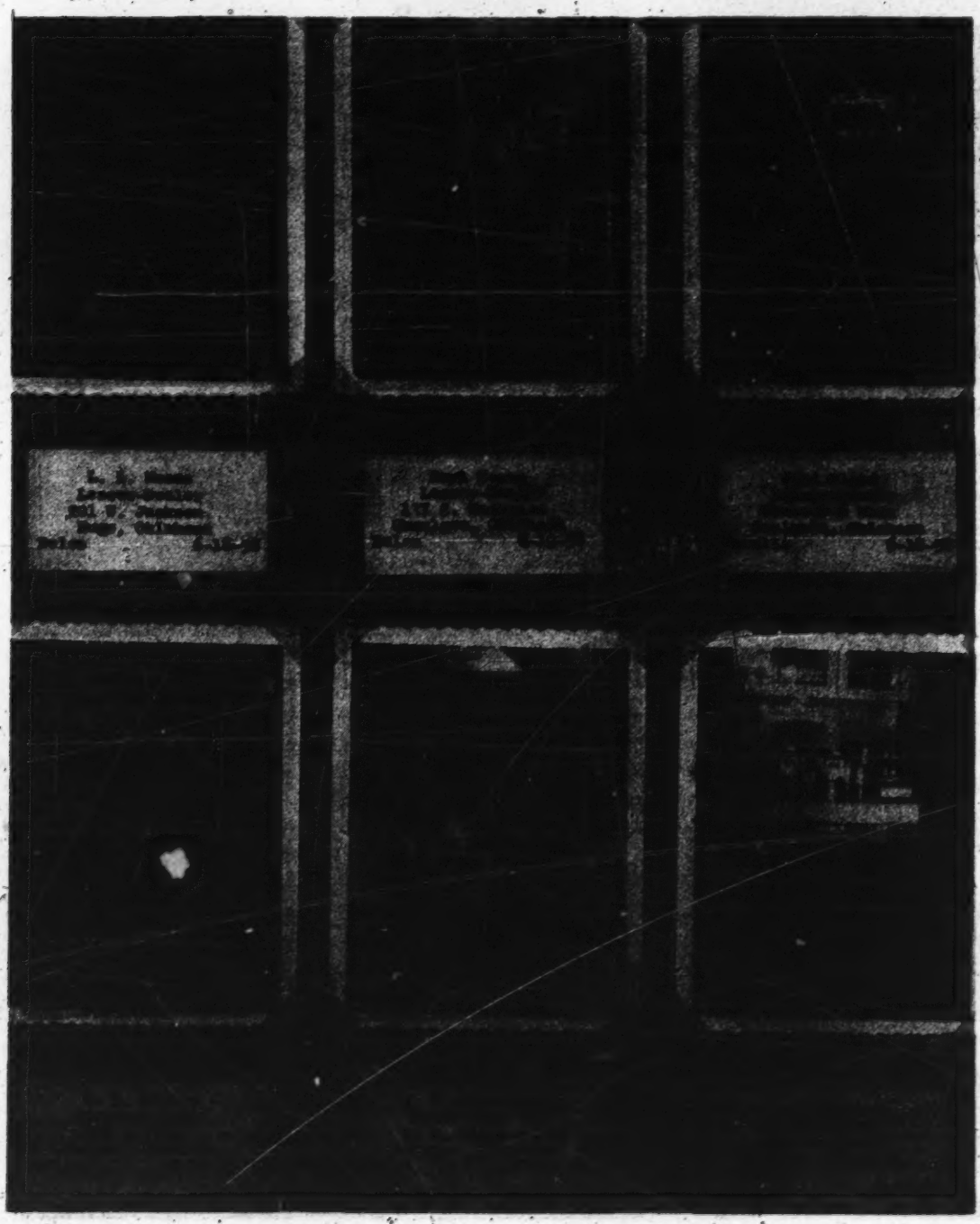
JAX 500

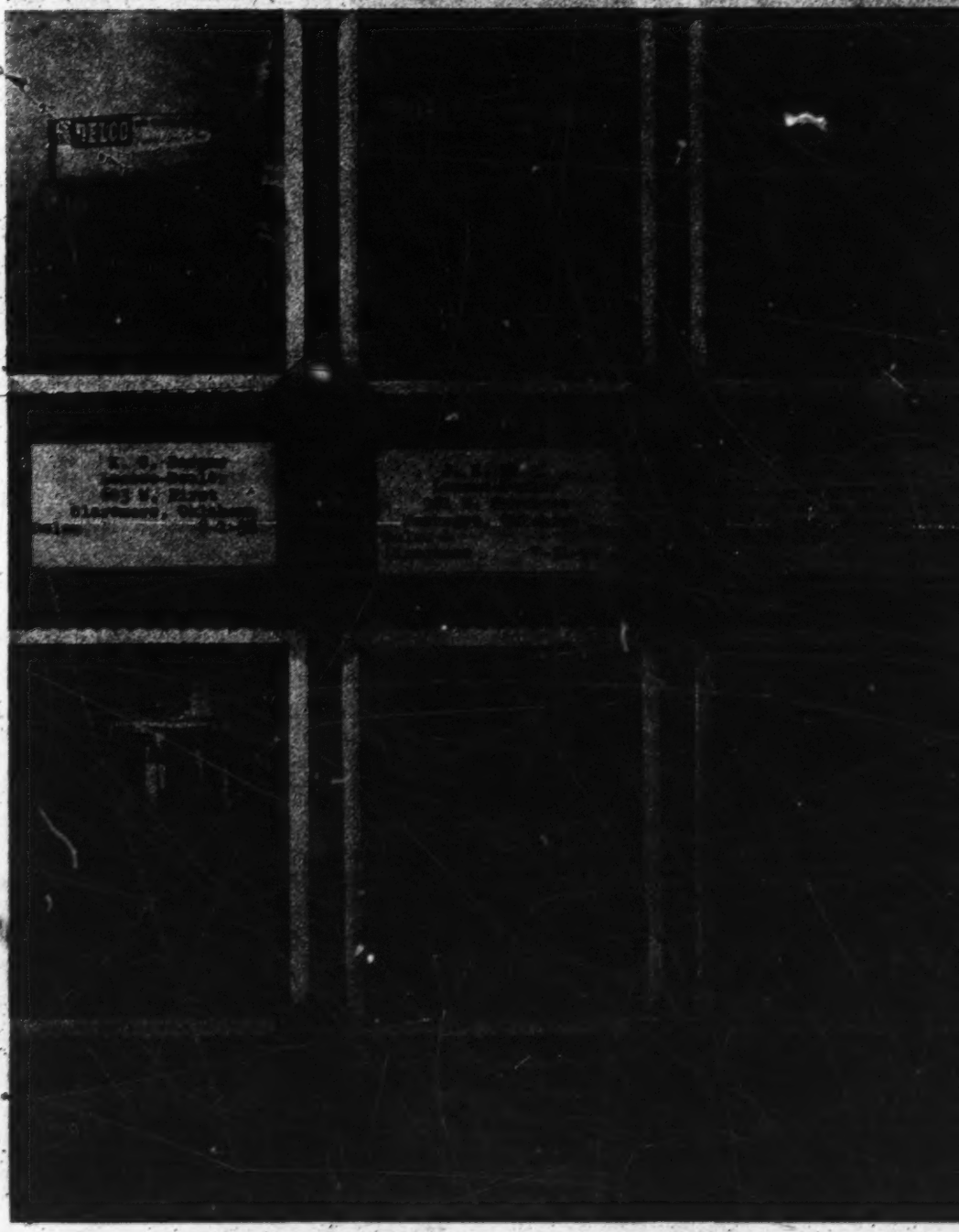
Respondents' Exhibit 75-C



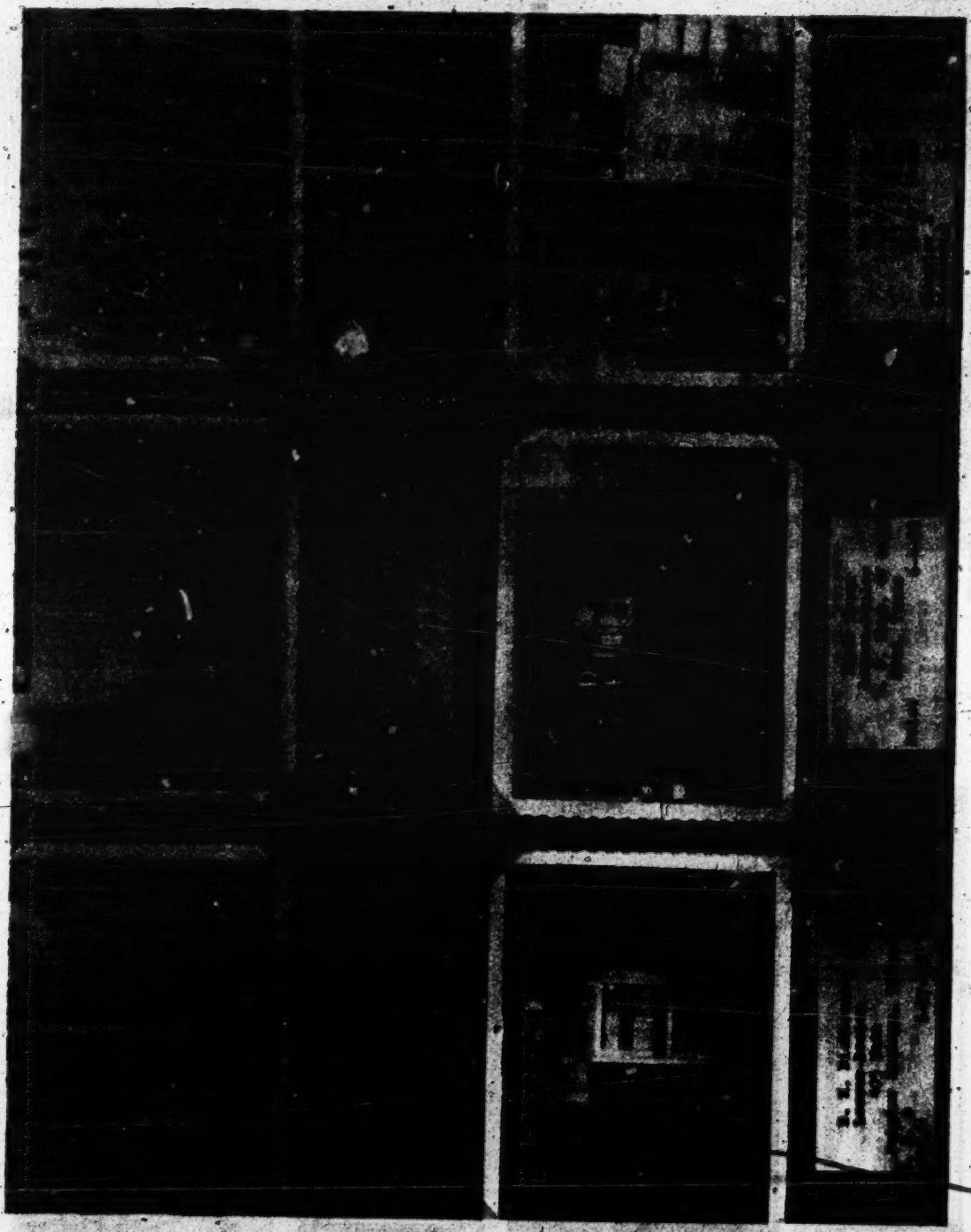
JAX 500

Respondent's Exhibit 74-23




DELCO

[redacted]



[redacted]

JAX 381

Respondent's Exhibit 74-38

[redacted]

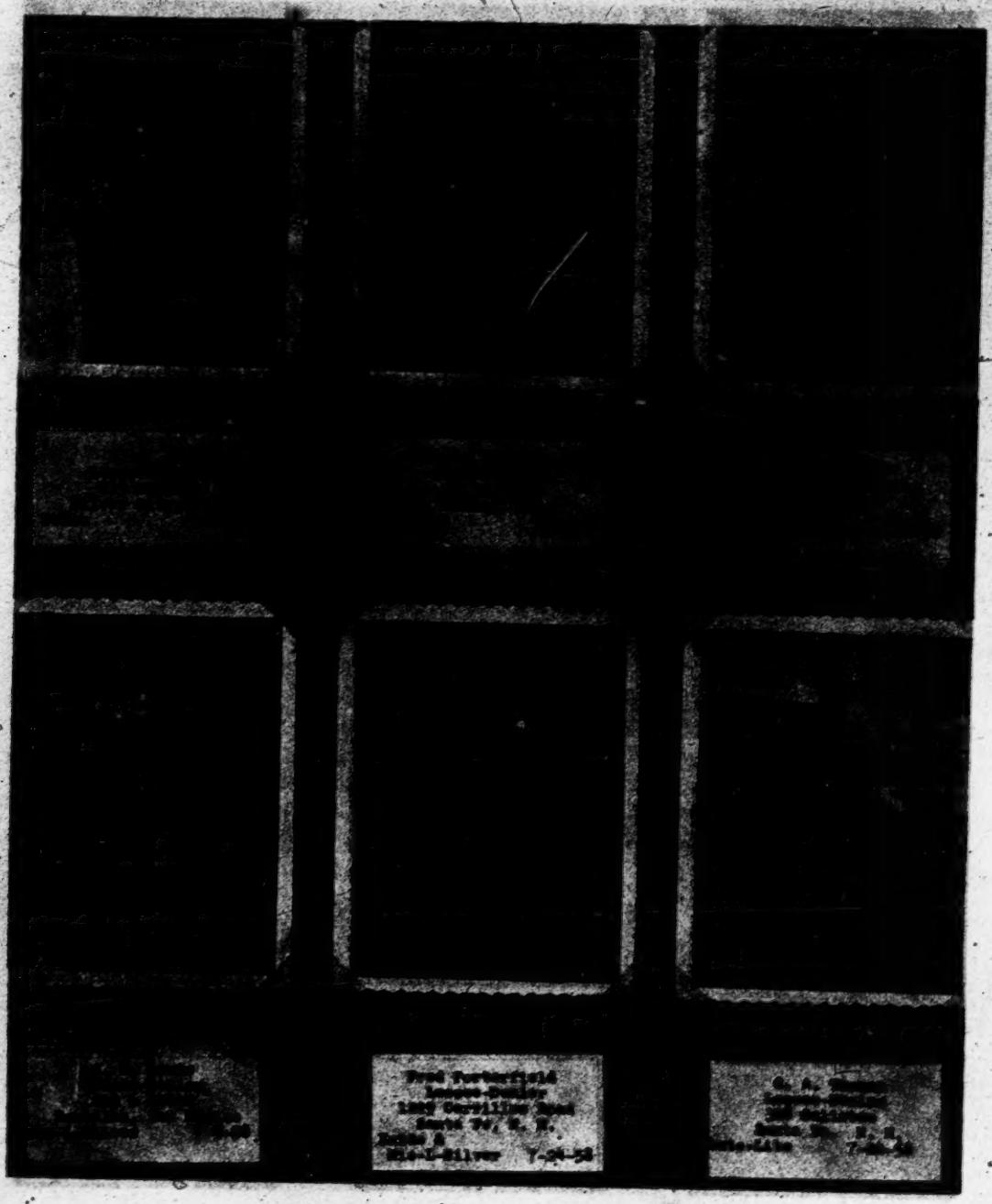
Respondents' Exhibit 74-37

JAX 583

Respondents' Exhibit 74-37

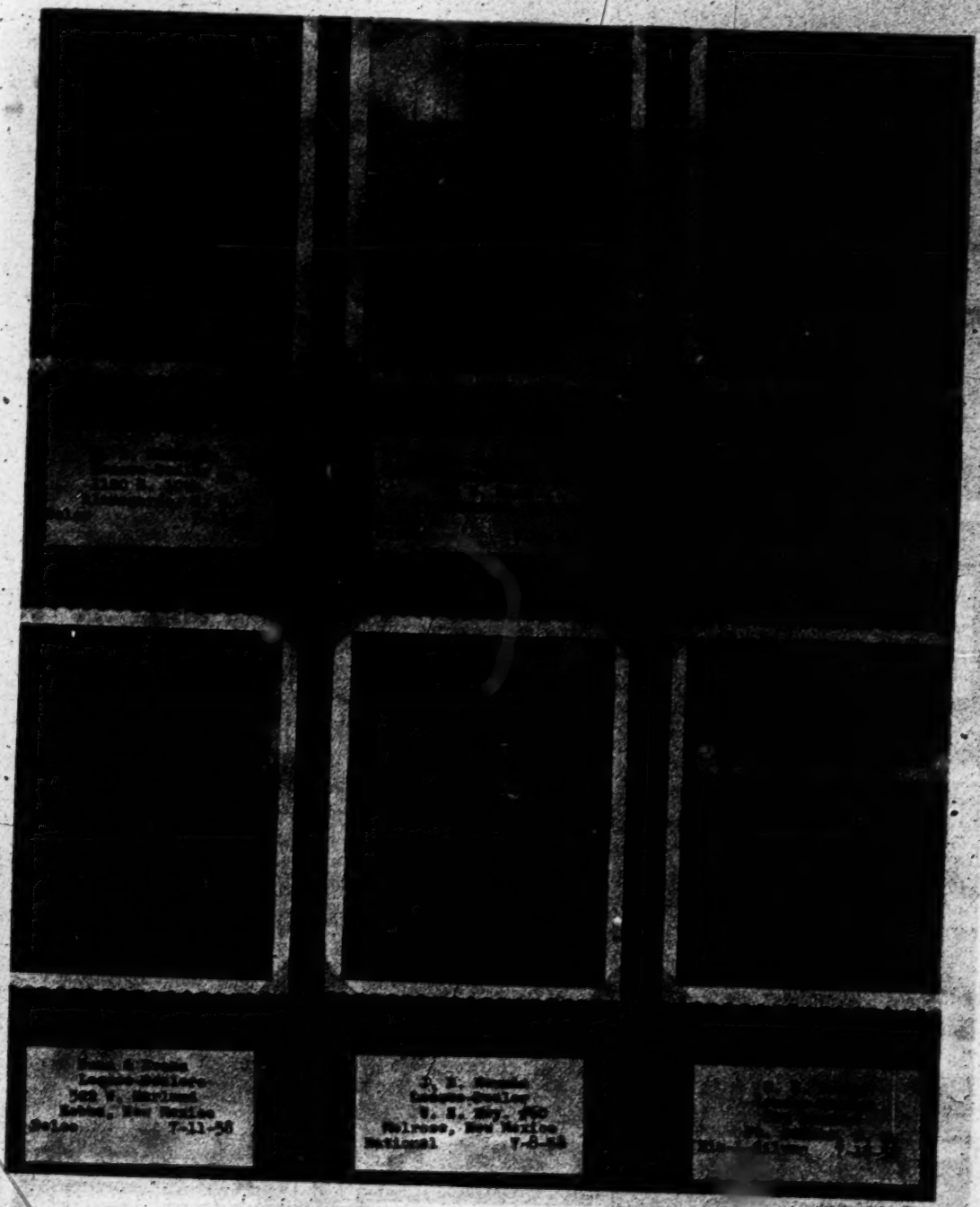
JAX 584

Respondents' Exhibit 74-38


Fred Barbarfield
Indian Dancer
1867 Cortillion Road
South Tr, N. H.
Silver-Silver 7-24-58

JAX DM

[redacted]



Texas Group Establishes Units in Over 100 Towns

BROWNWOOD, Texas—Since it received its charter on August 28, 1949, with 52 Brown County charter members, the Texas Service Station Association has grown to a state-wide organization with local units in more than 100 towns and cities, the association stated following its second annual directors meeting.

"During that two-year period," stated the association, "with one full-time field man and another less than half time, it has established local units in more than one hundred cities and towns, from Dalhart and Perryton to Brownsville, and from Odessa to Orange. It is in 15 of the 21 congressional districts, with thousands of members.

Bob Fulgham of Fort Worth was elected president of the association at the annual meeting. Other officers elected were: Roy J. Schweers, San Antonio, first vice president; Raymond Baker, Brownwood, second vice president, and Howard E. Harlowe, Brownwood, secretary-treasurer.

Also elected were 21 directors, one from each congressional district where the association has membership and six directors at large. The bylaws provide that until the organization is established in each congressional district, directors at large shall be chosen from the county of the home office, but as it is established in a new congressional district one director at large shall resign and his place be filled by a director from the new district.

Directors elected were: Bob Kavanaugh, Port Author; E. B. Yale, Tyler; Lawrence Miller, Galveston; O. M. Branyon, Austin; Ronald Copeland, Waco; Dick Knight, Fort Worth; Bob Biggs, Wichita Falls; Royal Bates, Alice; H. O. Wilson, San Benito; W. G. Keeler, Midland; Bill Stockton, Abilene; Lloyd Kuntz, Pampa; Glen Woody Lubbock; Roy Schweers, San Antonio, and Odis Cox, Brady.

Directors at large, all from Brownwood, elected were: L. C. York, W. R. Curbo, Guy Keeler, E. O. Petross, E. W. Vardman, and Howard E. Harlowe.

Lottery Laws Thwart Opening Day Prizes

SIKESTON, Mo. — Plans to give away product price during the grand opening of Jay and Jim's "66" Service Station in this area on Route 66 had to be cancelled because of state lottery laws, but opening-day customers came in for a real bargain anyhow.

To get town-people acquainted with the new station the owners gave motorists a lubrication job with a purchase of $2 or more during the outlet's grand opening.

Station Changes Hands

ULYSSES, Kan. — Virgil Deal, owner of the Deal Service Station here, has sold his business to the Smith-Craig Motors firm of Liberal, Kan. The new owners have placed Chet Hockensmith in charge as manager of the local station which carries a complete line of Texaco products, and offers service and parts for cars.

Minekler Elected WOGA President

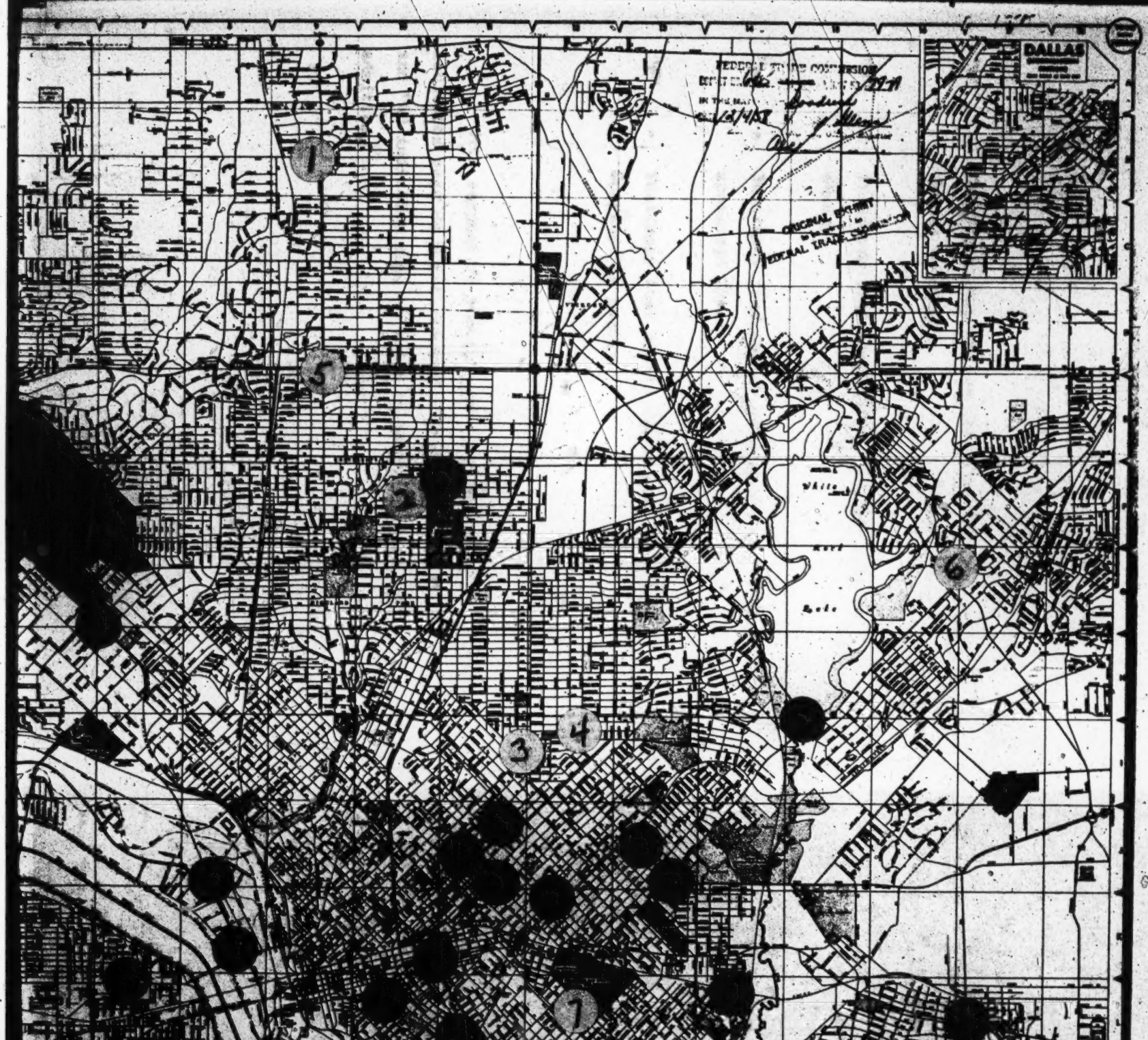
LOS ANGELES — Robert L. Minekler, president of General Petroleum Corp., has been elected to his second term as president of the Western Oil and Gas Association.

L. L. Aubert, president of the Bankline Oil Co., was elected first vice president by the board and Charles S. Jones, president of Richfield Oil Corp., was elected second vice president. L. K. Whittier, vice president of the Belridge Oil Co., was re-elected treasurer and John M. Peirce was re-elected vice president and general manager.

Thirty-one incumbent members of the board were re-elected and Lowell Stanley, chairman of the board of directors of the Jergins Oil Co., Long Beach, was elected to replace the late C. M. Cotton.

Mechanic Buys Business

MOUNT VERNON, Mo. — Gray's Service Station in this area has been taken over from Elmo Gray by Curtis Jackson. Until his purchase of the Mobil gas and car repair outlet, Mr. Jackson worked as a mechanic for Mr. Gray. The name of the station has been changed to Jackson's 166 Service.


DALLAS
1
2
3
4
5
6
7
ORIGINAL EXHIBIT
FEDERAL TRADE COMMISSION

JAX 100

Respondents' Exhibit No.

TEXACO
DALLAS

DALLAS
What to See in Dallas

JAX 501

Respondents' Exhibit 79B

"M" - Testimony that dealer attended Texaco dealer meeting.

"S" - Testimony that complaining witness sold to dealer.

"D" - Testimony that dealer displayed non-sponsored TBA.

"P" - Testimony that dealer understood The Texas Company TBA policy.

With respect to photographs in evidence "I" indicates page on which respondent's exhibit identified and "A" indicates page on which respondent's exhibit admitted.

"M" - Testimony that dealer attended Texaco dealer meeting.

"N" - Testimony that complaining witness sold to dealers.

"O" - Testimony that dealer displayed non-approved TBA.

"P" - Testimony that dealer understood the Texaco Company TBA policy.

With respect to photographs in evidence in indicates page on which respondent's exhibit identified and "A" indicates page on which respondent's exhibit admitted.

JAX 592

Respondents' Exhibit 79C

DALLAS DIVISION

"A" (YELLOW DOTS)

NAME	ADDRESS
1. Walter B. Apple	Preston Road & Royal Lane Dallas, Texas
2. B. S. Colgin	6634 Snider Plaza Dallas, Texas
3. Howard Rush	Greenville & Ross Dallas, Texas
4. Russell Tableman	Lewis & Skilman Dallas, Texas
*5. Ray W. Tosch	Preston Road and Berkshire, Dallas, Texas
6. Jack Wilkie	9507 Garland Road Dallas, Texas
7. C. W. Williams	Forest & Fourth Dallas, Texas

*Also displayed other than Firestone or Goodrich TBA. (TR.1707).

FEDERAL TRADE COMMISSION
DOCKET NO. 6485 EXHIBIT NO.

JAX 5[illegible]

Respondents' Exhibit 79D

"B" (RED DOTS)

	NAME	ADDRESS	TRANSCRIPT REFERENCE	
9.	Kenneth Heth	3800 West Davis Dallas, Texas	TR 3623 TR 3626 TR 3631	(P) (D) (M)
10.	Charles W. Moore	1623 Chase Street Dallas, Texas	TR 3643-4 TR 3646-7 TR 3651	(P) (D) (M)
11.	Orville L. Jernigan	800 South Ervay Dallas, Texas	TR 3657-8 TR 3664-5 TR 3667	(P) (D) (M)
12.	W. R. Cornett	Tyler and Davis Dallas, Texas.	TR 1718 TR 1727	(S) (S)
13.	O. C. Mann	Ewing and Clarendon Dallas, Texas	TR 1718	(S)
15.	Billie Flippin	1407 No. Zangs Dallas, Texas (same as #10)	TR 1729	(S)
16.	Emory Johnson	1000 No. Industrial Dallas, Texas	TR 1722	(S)
17.	Mullins' Eastside	Crawford & Jefferson Dallas, Texas	TR 1707-8	(S)
18.	P. F. Reynolds	Dallas, Texas	TR 170[illegible] TR 1712-[illegible]	(S) (S)
19.	W. E. Drumgold	Lancaster and Oakley Dallas, Texas	TR 1710	(S)
20.	E. L. Stewart	Beacon and Linley Dallas, Texas	TR 1700-1	(S)
21.	Lee Jolly	Corinth and Harwood Dallas, Texas	TR 1574 TR 1574	(S) (D)
22.	J. B. Talley	7726 Garland Dallas, Texas	RX 74 (3)	
23.	A. B. Bables	4903 Hatcher Dallas, Texas	RX 74 (4)	
24.	C. R. Burch	4502 Bryan Dallas, Texas	RX 74 (4)	
25.	H. H. Nabors	4501 E. Side Dallas, Texas (same as #17)	RX 74 (4)	

FEDERAL TRADE COMMISSION
DOCKET NO. 6[illegible] ITEM NO.

56

JAX 301

Respondents' Exhibit 38D

[illegible] (See Ex. 17)

Name	Address	Transcript Reference
7. Kenneth Dark	3800 Ross Avenue Dallas, Texas	TR 2028 TR 2029 TR 2031
10. Charles W. Moore	1600 Commerce Street Dallas, Texas	TR 1844-5 TR 1847 TR 1848 TR 1851
12. Gerald L. Jordan	4000 Jones Street Dallas, Texas	TR 1814-5 TR 1816-7 TR 1817
14. W. D. Cannon	Wyatt and Davis Dallas, Texas	TR 1272 TR 1273
15. C. J. Wynn	Davis and Cleveland Dallas, Texas	TR 1214
16. Philip Phillips	1207 No. Ervay Dallas, Texas (same as #16)	TR 1259
18. Harry Hopkins	1200 No. Jackson Dallas, Texas	TR 1272
19. Mr. Jackson	Cromwell & Jefferson Dallas, Texas	TR 1272-3
20. C. S. Sewell	Dallas, Texas	TR 1207 TR 1211-8
21. W. E. Cunningham	Lancaster and Bailey Dallas, Texas	TR 1210
22. C. Jo Stewart	Hutchins and Bailey Dallas, Texas	TR 1200-1
23. Leo Dalle	Ervay and Harwood Dallas, Texas	TR 1272 TR 1277
24. Mr. Bailey	2100 Carlton Dallas, Texas	TX 74 (3)
25. A. B. Rubin	4901 Hexham Dallas, Texas	TX 74 (4)
26. C. H. Byron	4502 Bryan Dallas, Texas	TX 74 (4)
29. H. S. Moore	4501 E. Side Dallas, Texas (same as #17)	TX 74 (4)

PRINTING TRANSCRIPT CORPORATION
[illegible]

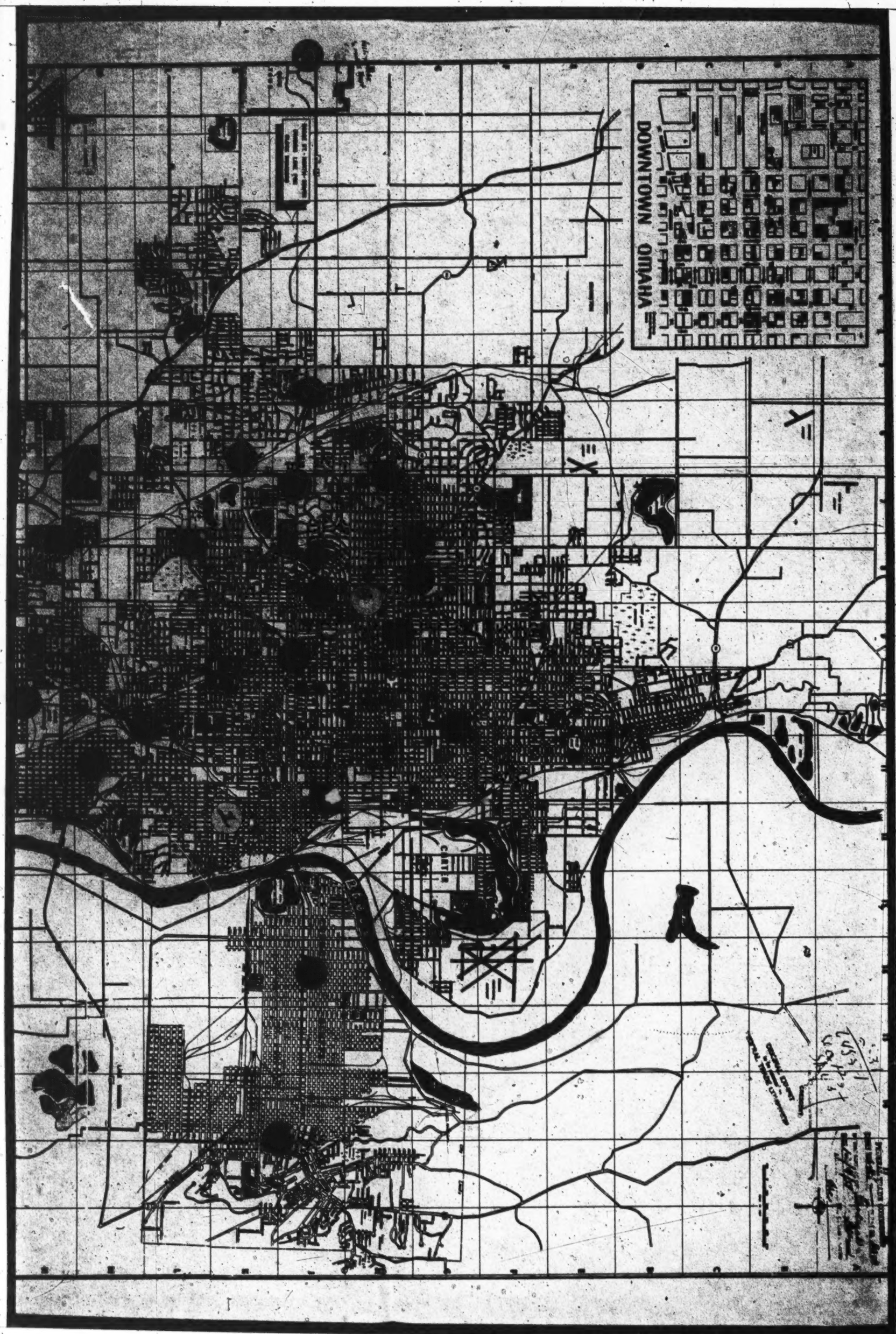
JAX 504

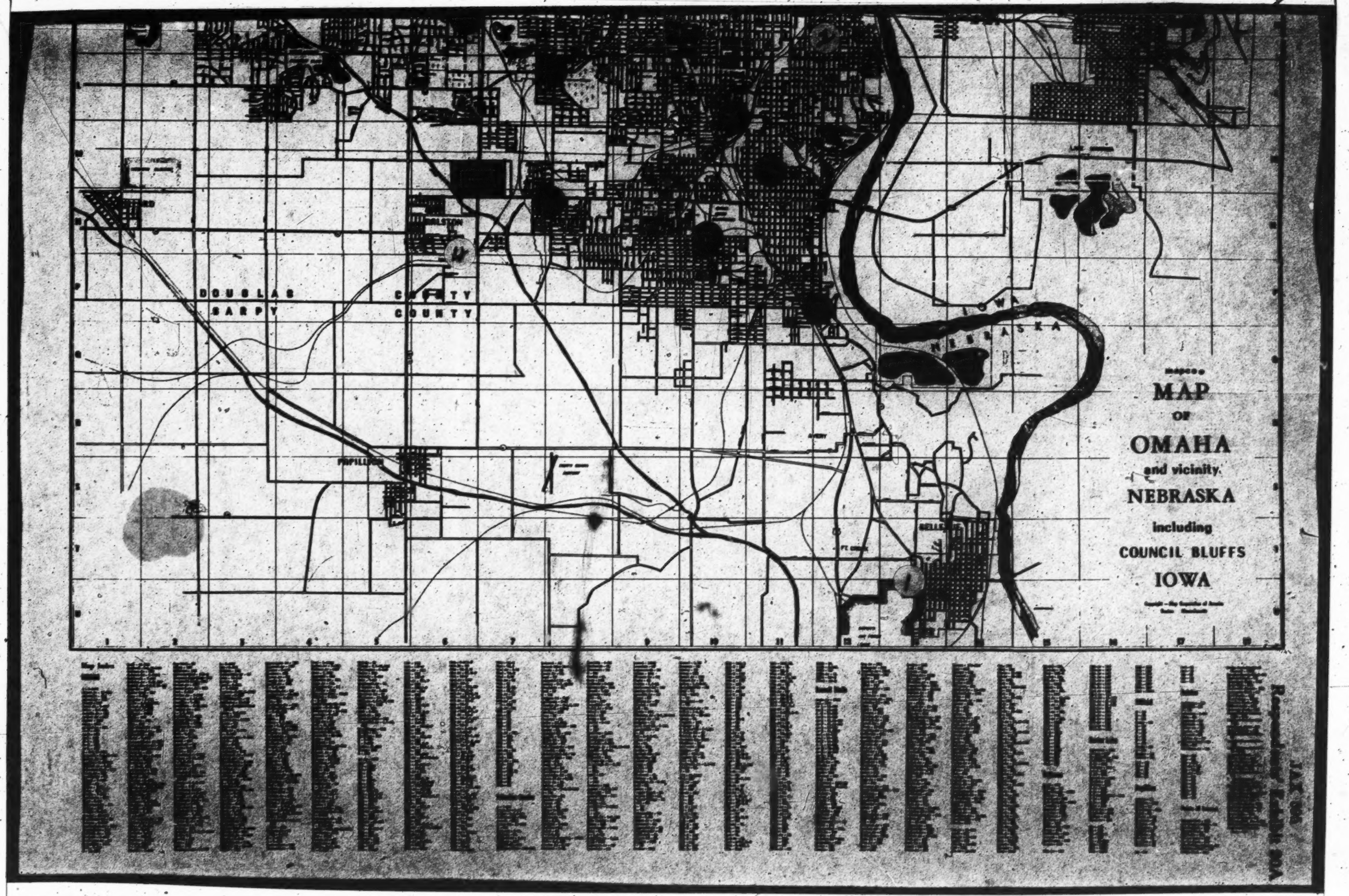
Respondents' Exhibit 79E

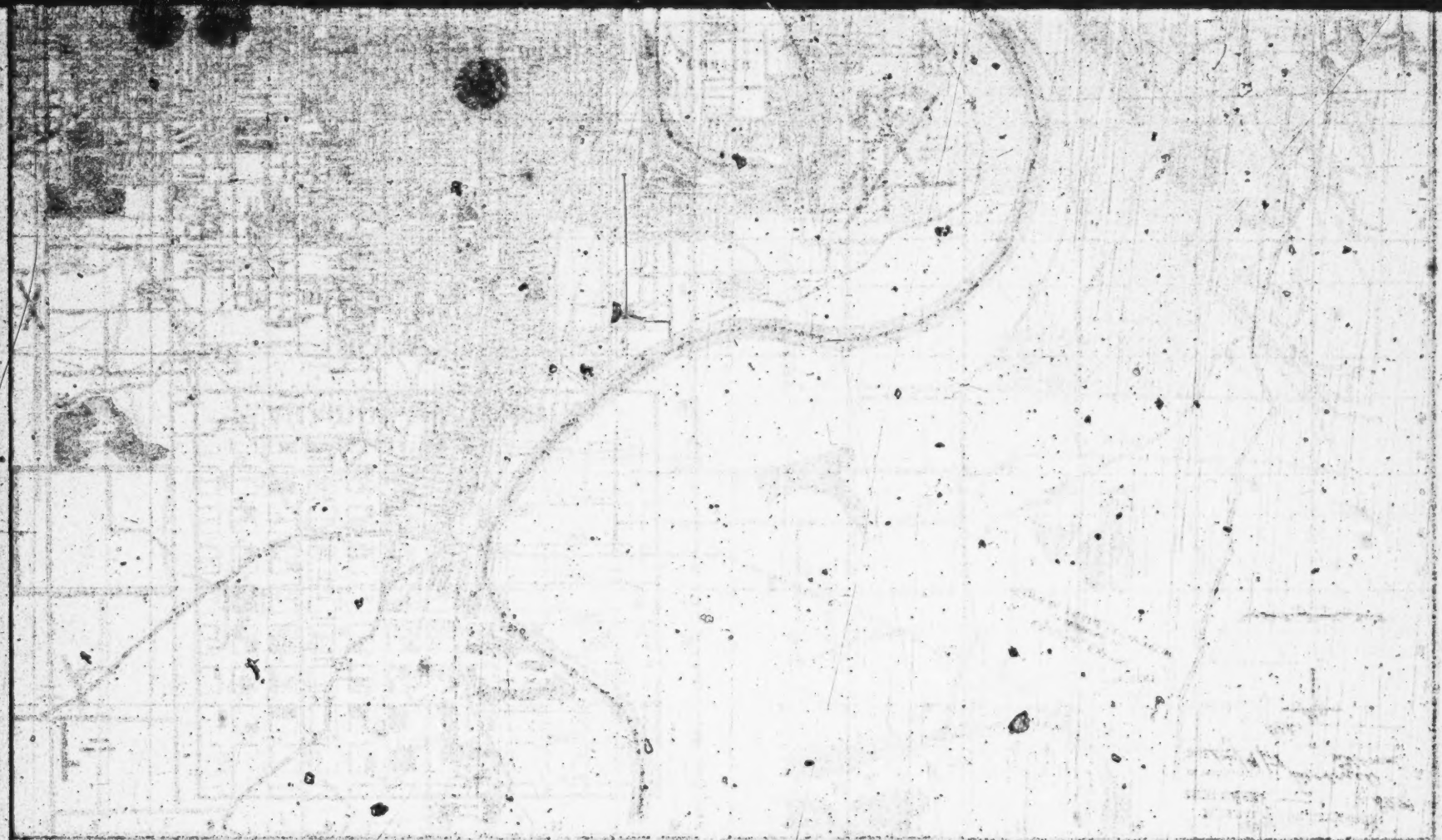
NAME	ADDRESS	TRANSCRIPT REFERENCE
26. W. D. Tacker	4022 Live Oak Dallas, Texas	RX 74 (27)
27. R. L. Place	2301 Canton Dallas, Texas	RX 74 (27)
28. H. C. Fowler	7035 Lake June Dallas, Texas	RX 74 (27)
29. L. P. Jolly	2107 S. Harwood Dallas, Texas (same as #21)	RX 74 (27)
30. R. H. Norsworthy	7003 Military Dallas, Texas	RX 74 (27)
31. R. L. Greer	901 N. Haskell Dallas, Texas	RX 74 (28)
32. Doug Lee	5601 E. Grand Dallas, Texas	RX 74 (28)
33. Carlan & Johnson	1901 Forest Dallas, Texas	RX 74 (28)
34. C. A. Hobbs	6617 Hillcrest Dallas, Texas	RX 74 (28)
35. Sam Hill	1819 S. Beckley Dallas, Texas	RX 74 (28)
36. H. B. Peterman	6302 Denton Drive Dallas, Texas	RX 74 (30)
37. C. T. Braly	717 Singleton Dallas, Texas	RX 74 (34)
38. D. M. Byers	900 E. Jefferson Dallas, Texas	RX 74 (34)
39. J. C. Warwick	2923 W. Davis Dallas, Texas	RX 74 (34)
40. Geo. F. Smith	1636 N. Industrial Dallas, Texas	RX 74 (36)

FEDERAL TRADE COMMISSION
DOCKET NO. 6185 EXHIBIT NO.

57


DOWNTOWN OMAHA


MAP
OF
OMAHA
and vicinity.
NEBRASKA
including
COUNCIL BLUFFS
IOWA
DOUGLAS
SARPY
COUNTY
COUNTY
IOWA
NEBRASKA
PAPILLION
BELLEVUE



Respondents' Exhibit 80B

OMAHA MILEAGE TABLE

The approximate mileage from Omaha to the major locations of the United States.

Location	Miles
Akron, Ohio	830
Albany, N. Y.	1285
Albuquerque, N. Mex.	885
Asheville, N. C.	1055
Atlanta, Ga.	1025
Atlantic City, N. J.	1265
Augusta, Ga.	1195
Baltimore, Md.	1140
Binghamton, N. Y.	1190
Birmingham, Ala.	935
Bismarck, N. Dak.	605
Boise, Idaho	1315
Boston, Mass.	1450
Buffalo, N. Y.	995
Butte, Mont.	895
Charlotte, N. C.	1175
Chattanooga, Tenn.	905
Cheyenne, Wyo.	500
Chicago, Ill.	485
Cincinnati, Ohio	700
Cleveland, Ohio	815
Colo. Spra., Colo.	630
Columbia, S. C.	1225
Columbus, Ohio	765
Dallas, Tex.	695
Davenport, Iowa	315
Denver, Colo.	555
Des Moines, Iowa	140
Detroit, Mich.	745
Dubuque, Iowa	330
Duluth, Minn.	535
El Paso, Tex.	1105
Erie, Pa.	915
Evansville, Ind.	635
Ft. Wayne, Ind.	625
Frankfort, Ky.	740
Fredericton, N. B.	1820
Grand Rapids, Mich.	680
Harrisburg, Pa.	1125
Helena, Mont.	1190
Houston, Tex.	925
Indianapolis, Ind.	590
Jackson, Miss.	895
Jacksonville, Fla.	1350
Jefferson City, Mo.	360
Kansas City, Mo.	210
Lansing, Mich.	670
Little Rock, Ark.	620
Los Angeles, Calif.	1705
Louisville, Ky.	710
Memphis, Tenn.	680
Miami, Fla.	1685
Milwaukee, Wis.	595
Mpls.-St. Paul, Minn.	380
Montreal, Que.	1325
Nashville, Tenn.	785
New Haven, Conn.	[illegible]
New Orleans, La.	1010
New York, N. Y.	1925
Norfolk, Va.	1320
North Platte, Neb.	285
Okla. City, Okla.	490
Ottawa, Ont.	1255
Peoria, Ill.	375
Philadelphia, Pa.	1215
Phoenix, Ariz.	1390
Pierre, S. Dak.	405
Pittsburgh, Pa.	920
Portland, Me.	1525
Portland, Oreg.	1795
Pueblo, Colo.	615
Quebec, Que.	1450
Raleigh, N. C.	1245
Rapid City, S. Dak.	530
Richmond, Va.	1225
Rochester, N. Y.	1085
St. Louis, Mo.	485
Salt Lake City, Utah	980
San Antonio, Tex.	970
San Diego, Calif.	1775
San Francisco, Calif.	1745
Santa Barbara, Calif.	1800
Santa Fe, N. Mex.	970
Savannah, Ga.	1030
Seattle, Wash.	1825
Spokane, Wash.	1520
Springfield, Ill.	420
Springfield, Mo.	385
Syracuse, N. Y.	1150
Tampa, Fla.	1505
Toledo, Ohio	710
Topeka, Kans.	170
Toronto, Ont.	975
Tulsa, Okla.	410
Vancouver, B. C.	1990
Washington, D. C.	1150
Wichita, Kans.	315
Wilmington, N. C.	1375
Winnipeg, Man.	670

Respondents' Exhibit 805

OMAHA NURSERY TABLE

The approximate mileage from Omaha to the major markets of the United States.

	Miles		Miles
Albany, Ore.	1250	Dallas, Tex.	1000
Albany, N. Y.	1280	Dayton, Ohio	800
Albuquerque, N. M.	1000	Denver, Colo.	500
Atlanta, Ga.	1000	Des Moines, Iowa	300
Atlantic City, N. J.	1250	Detroit, Mich.	1000
Augusta, Me.	1400	Dubuque, Iowa	300
Baltimore, Md.	1000	Duluth, Minn.	500
Bangor, Me.	1400	Durham, N. C.	1200
Binghamton, N. Y.	1000	East Liverpool, Ohio	800
Birmingham, Ala.	1000	Elkhart, Ind.	500
Bismarck, N. D.	500	Elmira, N. Y.	1000
Boise, Idaho	1200	Erie, Pa.	1000
Boston, Mass.	1400	Evansville, Ind.	500
Brooklyn, N. Y.	1000	Fargo, N. D.	500
Buffalo, N. Y.	1000	Fayetteville, N. C.	1200
Burlington, Vt.	1400	Fort Dodge, Iowa	300
Butte, Mont.	1000	Fort Smith, Ark.	500
Cambridge, Mass.	1400	Fort Wayne, Ind.	500
Camden, N. J.	1000	Frankfort, Ky.	700
Canton, Ohio	800	Frederick, Md.	1000
Cedar Rapids, Iowa	300	Grand Rapids, Mich.	500
Chicago, Ill.	500	Green Bay, Wis.	500
Cincinnati, Ohio	800	Harrisburg, Pa.	1000
Cleveland, Ohio	800	Hartford, Conn.	1400
Colorado Springs, Colo.	500	Helena, Mont.	1000
Columbia, S. C.	1200	Houston, Tex.	500
Columbus, Ohio	800	Indianapolis, Ind.	500
Council Bluffs, Iowa	300	Jackson, Miss.	500
Dallas, Tex.	1000	Jacksonville, Fla.	1200
Davenport, Iowa	300	Jefferson City, Mo.	300
Decatur, Ill.	500	Kansas City, Mo.	300
Des Moines, Iowa	300	Lansing, Mich.	500
Detroit, Mich.	1000	Little Rock, Ark.	500
Dubuque, Iowa	300	Los Angeles, Calif.	1700
Duluth, Minn.	500	Louisville, Ky.	700
Durham, N. C.	1200	Memphis, Tenn.	600
East Liverpool, Ohio	800	Miami, Fla.	1200
Elkhart, Ind.	500	Milwaukee, Wis.	500
Elmira, N. Y.	1000	Minneapolis, Minn.	500
Erie, Pa.	1000	Mobile, Ala.	500
Evansville, Ind.	500	Montgomery, Ala.	500
Fargo, N. D.	500	Montreal, Que.	1000
Fayetteville, N. C.	1200	Nashville, Tenn.	600
Fort Dodge, Iowa	300	New Haven, Conn.	1400
Fort Smith, Ark.	500	New Orleans, La.	1000
Fort Wayne, Ind.	500	New York, N. Y.	1000
Frankfort, Ky.	700	Norfolk, Va.	1200
Frederick, Md.	1000	North Platte, Neb.	300
Grand Rapids, Mich.	500	Ogden, Utah	1200
Green Bay, Wis.	500	Ottawa, Ont.	1000
Harrisburg, Pa.	1000	Oxford, Ohio	800
Hartford, Conn.	1400	Philadelphia, Pa.	1000
Helena, Mont.	1000	Phoenix, Ariz.	1500
Houston, Tex.	500	Pueblo, Colo.	500
Indianapolis, Ind.	500	Pittsburgh, Pa.	1000
Jackson, Miss.	500	Portland, Ore.	1200
Jacksonville, Fla.	1200	Portland, Me.	1400
Jefferson City, Mo.	300	Quincy, Ill.	300
Kansas City, Mo.	300	Quincy, Mass.	1400
Lansing, Mich.	500	Quebec, Que.	1400
Little Rock, Ark.	500	Raleigh, N. C.	1200
Los Angeles, Calif.	1700	Rapid City, S. Dak.	500
Louisville, Ky.	700	Richmond, Va.	1200
Memphis, Tenn.	600	Rochester, N. Y.	1000
Miami, Fla.	1200	St. Louis, Mo.	300
Milwaukee, Wis.	500	Salt Lake City, Utah	1200
Minneapolis, Minn.	500	San Antonio, Tex.	500
Mobile, Ala.	500	San Diego, Calif.	1700
Montgomery, Ala.	500	San Francisco, Calif.	1700
Montreal, Que.	1000	Santa Barbara, Calif.	1700
Nashville, Tenn.	600	Santa Fe, N. Mex.	700
New Haven, Conn.	1400	Savannah, Ga.	1000
New Orleans, La.	1000	Seattle, Wash.	1500
New York, N. Y.	1000	Spokane, Wash.	1500
Norfolk, Va.	1200	Springfield, Ill.	400
North Platte, Neb.	300	Springfield, Mo.	300
Ogden, Utah	1200	Syracuse, N. Y.	1000
Ottawa, Ont.	1000	Tampa, Fla.	1500
Oxford, Ohio	800	Toledo, Ohio	700
Philadelphia, Pa.	1000	Topeka, Kans.	300
Phoenix, Ariz.	1500	Toronto, Ont.	1000
Pueblo, Colo.	500	Tulsa, Okla.	500
Pittsburgh, Pa.	1000	Vancouver, B. C.	1500
Portland, Ore.	1200	Washington, D. C.	1000
Portland, Me.	1400	Wichita, Kans.	300
Quincy, Ill.	300	Wilmington, N. C.	1200
Quincy, Mass.	1400	Winnipeg, Man.	500
Quebec, Que.	1400		
Raleigh, N. C.	1200		
Rapid City, S. Dak.	500		
Richmond, Va.	1200		
Rochester, N. Y.	1000		
St. Louis, Mo.	300		
Salt Lake City, Utah	1200		
San Antonio, Tex.	500		
San Diego, Calif.	1700		
San Francisco, Calif.	1700		
Santa Barbara, Calif.	1700		
Santa Fe, N. Mex.	700		
Savannah, Ga.	1000		
Seattle, Wash.	1500		
Spokane, Wash.	1500		
Springfield, Ill.	400		
Springfield, Mo.	300		
Syracuse, N. Y.	1000		
Tampa, Fla.	1500		
Toledo, Ohio	700		
Topeka, Kans.	300		
Toronto, Ont.	1000		
Tulsa, Okla.	500		
Vancouver, B. C.	1500		
Washington, D. C.	1000		
Wichita, Kans.	300		
Wilmington, N. C.	1200		
Winnipeg, Man.	500		

JAX 597

Respondents' Exhibit 80C

"M" - Testimony that dealer attended Texaco dealer meeting.

"S" - Testimony that complaining witness sold to dealer.

"D" - Testimony that dealer displayed non-sponsored TBA.

"P" - Testimony that dealer understood The Texas Company TBA policy.

With respect to photographs in evidence "I" indicates page on which respondent's exhibit identified and "A" indicates page on which respondent's exhibit admitted.

JAX 508

Respondents' Exhibit 80D

OMAHA

"A" (YELLOW DOTS)

	NAME	ADDRESS
1.	*Wilmer Cressman	Bellevue, Nebraska
2.	**Stan's Texaco	13th & Williams Omaha, Nebraska
3.	***Wager Texaco	1540 North Saddle Creek Omaha, Nebraska
4.	Beaver Texaco	Ralston, Nebraska

*Also sold other than Firestone and Goodrich TBA (TR 1408).

**Also sold other than Firestone and Goodrich TBA (TR 1195-6-1204).

***Also sold other than Firestone and Goodrich TBA (TR 1343-44).

"B" (RED DOTS)

	NAME	ADDRESS	TRANSCRIPT REFERENCE	
5.	Cecil Baird	2934 West Broadway Council Bluffs	TR 2473 TR 2473-74-77	(P) (D)
6.	Tony Bonacci	16th & Webster Omaha, Nebraska	TR 2502-3-11 TR 2506-7-10	(P) (D)
7.	Ernest A. Kohler	45th and Lake Omaha, Nebraska	TR 1514-15	(S)
8.	Ray and Dick Swanson	30th & Pratt Omaha, Nebraska	TR 1512-13	(S)
9.	C. A. Acamo	30th & Deer Park Omaha, Nebraska	TR 1237-38	(S)
10.	R & R Linton & Riggs	33rd & Q Omaha, Nebraska	TR 1238-53 TR 1409	(S) (S)

60 - R 80-D

JAX 3dr

Respondents' Exhibit 8227

[illegible]

[illegible] (Yellow Cards)

NAME	ADDRESS
1. [illegible] Tavern	[illegible], Nebraska
2. [illegible] Tavern	2124 A Street Omaha, Nebraska
3. [illegible] Tavern	(60) North Sixth Street Omaha, Nebraska
4. [illegible] Tavern	Nebraska, Nebraska

*Also sold other [illegible] and [illegible] TM. (TM 3208).

*Also sold other [illegible] and [illegible] TM. (TM 1276-6-1206)

*Also sold other [illegible] and [illegible] TM. (TM 1241-6).

[illegible] (Red Cards)

NAME	ADDRESS	TRANSCRIPT REFERENCE
5. [illegible] Dance	2034 West Broadway Council Bluffs	TR 2427 (S) TR 2473-3-77 (S)
6. Tony Bonacci	16th & Webster Omaha, Nebraska	TR 2302-1-11 (S) TR 2306-1-10 (S)
7. Frank A. Kotlan	45th and Dale Omaha, Nebraska	TR 1[illegible]-15 (S)
8. Ray and Dick Swanson	20th & Paris Omaha, Nebraska	TR 1-12-13 (S)
9. A. Adamo	30th & Deer Park Omaha, Nebraska	TR 1257-18 (S)
10. R & R Liquor & Kegs	33rd & [illegible] Omaha, Nebraska	TR 1278-51 (S) TR 3405 (S)

[illegible]

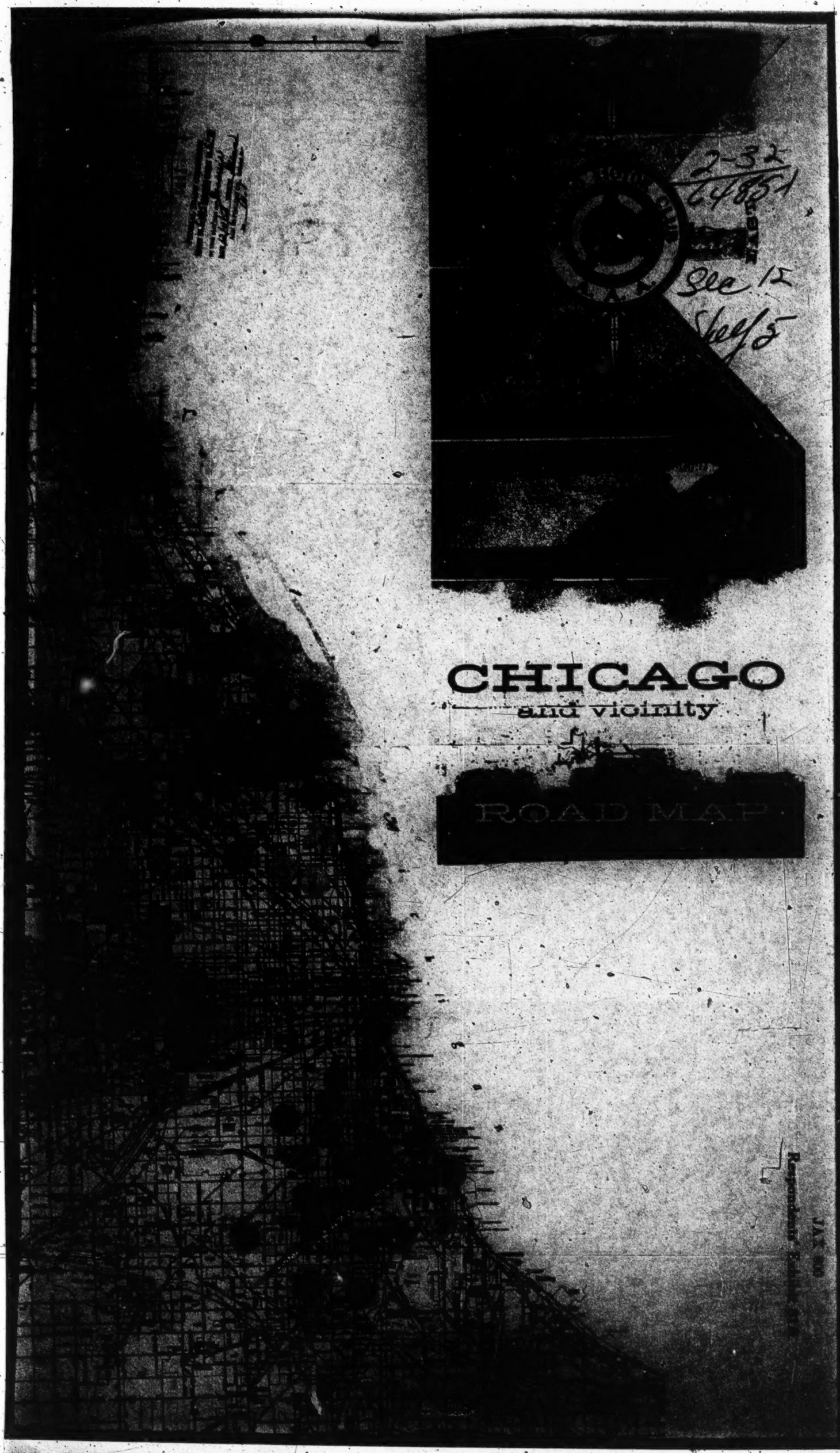
JAX 399

Respondents' Exhibit 80E

NAME	ADDRESS	TRANSCRIPT REFERENCE	
11. Thomas L. Houlton	41st & Dodge Omaha, Nebraska	TR 1325	(S)
12. Leon Pearson	54th & Military Omaha, Nebraska	TR 1324-25 TR 1400	(S) (S)
13. H. F. Smiley	50th & Underwood Omaha, Nebraska	TR 1342-48 TR 2412 TR 2414-16-17-2444	(S) (P)* (D)
14. Darrel L. Whitney	70th & Dodge Omaha, Nebraska	TR 1326-1345 TR 1402	(S) (S)
15. Charles Cox	13th and Harrison Omaha, Nebraska	TR 1358-1372 TR 1373	(S)
16. Fred Tex	60th and L Omaha, Nebraska	TR 1371	(D)
17. Clarence F. Carroll (Formerly R+H)	60th and Center Omaha, Nebraska	TR 1197	(S)
18. Peter R. Dall	75th and Pacific Omaha, Nebraska	TR 1197- TR 1207-8	(S)
19. Edward P. Schulte	61st & Military Omaha, Nebraska	TR 1380-90	(S)
20. Ted Carroll	Valley, Nebraska	TR 1396-7	(S)
21. Eckberg & Bobbett	86th & Dodge Omaha, Nebraska	TR 1393-94	(S)
22. Jansen Bros.	72nd & Blondo Omaha, Nebraska	TR 1399-1400	(S)
23. Harley J. Fischer	24th and G Omaha, Nebraska	TR 1410 and 1448	(S)
24. John L. Crookham	Main & Pearl Council Bluffs, Iowa	TR 1425	(S)
25. Ed Goldap	60th & Center Omaha, Nebraska (same as #17)	TR 1431	(S)

*Identified FORM LETTER "P" at TR 2411-12.

80-E

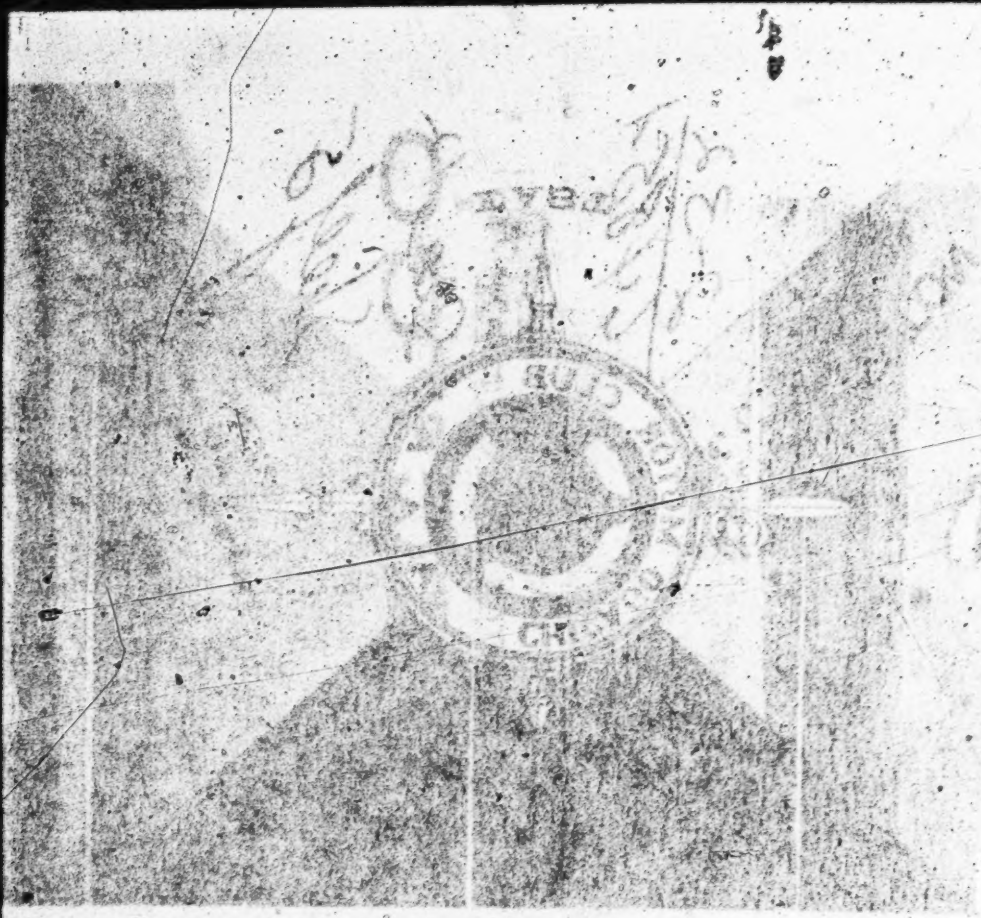

CHICAGO
and vicinity
ROAD MAP
2-32
64851
See 15
Sheet 5

CHIC
ROAD

JAX 600

Respondents' Exhibit 81A


CHIC
and vi



JAX 601

Respondents' Exhibit 81B

"M" - Testimony that dealer attended Texaco dealer meeting.

"S" - Testimony that complaining witness sold to dealer.

"D" - Testimony that dealer displayed non-sponsored TBA.

"P" - Testimony that dealer understood The Texas Company TBA policy.

With respect to photographs in evidence "I" indicates page on which respondent's exhibit identified and "A" indicates page on which respondent's exhibit admitted.

JAX 602

Respondents' Exhibit 81C

CHICAGO DIVISION

"A" (YELLOW DOTS)

NAME	ADDRESS
1. Edward H. Ruszkowski	6930 West Cermak Berwyn, Illinois
2. *Charles D. Curletti	87th & Loomis Chicago, Illinois
3. Albert Feller	2834 Irving Park Chicago, Illinois
4. Andrew Gumbar	5550 North Ashland Chicago, Illinois
5. Bernard Kolon	7001 South Western Chicago, Illinois
6. McWhinney	70th & Western Chicago, Illinois
7. Peterson Service Station	1723 Irving Park Chicago, Illinois
8. Lou Peting	9500 Yates Chicago, Illinois
9. Bob Sterns Service Station	92 Green Bay Road Winnetka, Illinois

*Also sold other than Firestone and Goodrich TBA (TR 766).

FEDERAL TRADE COMMISSION
DOCKET NO. 6415 EXHIBIT NO. 81-C

Respondent Exhibit 81C

CHICAGO DIVISION

"A" (YELLOW DOTS)

NAME	ADDRESS
1. Edward H. Blanchard	6220 West Cermak Berwyn, Illinois
2. Charles D. Guiteri	4434 N Lowell Chicago, Illinois
3. Albert Keller	2831 Irving Park Chicago, Illinois
4. Lenore Gunther	5320 North Ashland Chicago, Illinois
5. Edward Nolan	7001 South Western Chicago, Illinois
6. Newhouse	7024 N Western Chicago, Illinois
7. Petroleum Service Station	1723 Irving Park Chicago, Illinois
8. Lou Patine	9500 Ashland Chicago, Illinois
9. Non Stopping Service Station	02 Green Bay Road Winnetka, Illinois

Rates said other than Freezing and Dockton TBA (TB 366).

PRINTING TRADE ASSOCIATION
CHICAGO, ILLINOIS

64B-5

JAK 908

Respondents' Exhibit 81D

"B" (RED DOTS)

NAME	ADDRESS	TRANSCRIPT REFERENCE
10. Norman L. Jacobson	119th & Western Blue Island, Illinois	TR 2372-3-4-P TR 2378-9-1-2-3-6-D [illegible] TR 2[illegible]3(A)
11. Joseph Novak, Jr.	74th & Morgan Chicago, Illinois	TR 2[illegible]-P TR 2[illegible]-8-9-70-D [illegible] TR 2461(A)
12. John Nemec	8900 South Racine Chicago, Illinois	TR 2780-P [illegible] TR 2791(A)
13. John Nemec	8956 South Ashland Chicago, Illinois	TR 2784-90-91-92-D
14. Vince Allen	Pennsylvania & Glenwood Glen Ellyn, Illinois	TR 716-17-815 (S) TR 2618(P) 2625 (M) TR 2620-22 (D) [illegible] TR 2621(A)
15. Arthur Hull	Damen & Rogers Chicago, Illinois	TR 718-19 (D)
16. Richard Busse	592 Northwest Hwy. DesPlaines, Illinois	TR 813-14 (S)
17. Herb Felthouse	16th & Lombard Cicero, Illinois	TR 882 (D)
18. Cole Brothers	2205 So. Mannheim Rd. Westchester, Illinois	TR 878-79 (S)
19. Garfield Texaco	1536 West Garfield Chicago, Illinois	TR 886 (S)
20. Edward Menger	Wolf & Butterfield Hillside, Illinois	TR 873-[illegible] TR 878-[illegible] (S)
21. Edward Malinowski & Stanton Sunak (Eddie & Stan's)	400 West Madison St. Oak Park, Illinois	TR 873-5 (S) TR 2636-40-41 (D) [illegible] TR 2634(A)
22. Dan Popich	Gaze & Naperville Rd. Westmont, Illinois	TR 876 (S)
23. Pete's Texaco	Butterfield & Rte. 83 Elmhurst, Illinois	TR 875 (S)
24. John Sasgen	1201 South Fifth Ave. Maywood, Illinois	TR 878 (S)
25. Howard Mecher	Elston & Lawrence Chicago, Illinois	TR 932 (S)

[illegible] COMMISSION
DOCKET NO. [illegible] EXHIBIT NO. 81-D

C.4

1-81-D

JAX 604

Respondents' Exhibit 81E

NAME	ADDRESS	TRANSCRIPT REFERENCE	
26. Harold Gervais & Bernard Hoekstra (Barney & Harolds's)	103rd & Rhodes Chicago, Illinois	TR 777	(S)
27. John Benson	79th & Paxton Chicago, Illinois	(TR 757-8 (TR 802	(S)
28. Emil Bierszchudek	120th & Halsted Chicago, Illinois	TR 758-9	(S)
29. Gerald Carlton	95th & Bell Chicago, Illinois	TR 759-60	(S)
30. Joseph Debulski	103rd & Michigan Chicago, Illinois	TR 768-9	(S)
31. Benjamin Douglas	29th & South Parkway Chicago, Illinois	TR 769-70	(S)
32. Charles Goff	71st & Indiana Chicago, Illinois	TR 772	(S)
33. Leon Sider	67th & Jeffrey Chicago, Illinois	TR 773-4	(S)
34. William Jamison	75th & Indiana Chicago, Illinois	TR 778	(S)
35. George M. Messinger	98th & Kedzie Chicago, Illinois	TR 780	(S)
36. Harold Peutz	63rd & Honore Chicago, Illinois	TR 794	(S)
37. Thomas Stonier	99th & Cicero Chicago, Illinois	TR 896	(S)
38. Asbury-Oakton Texaco	446 Asbury Evanston, Illinois	Ex. 148 Z (1)	
39. Orville Baumann	4000 Dempster Skokie, Illinois	Ex. 148 L	
40. Herb Bolte	925 Noyes Street Evanston, Illinois	Ex. 148 T TR 2649 (P)-2651 (D)	
41. William Cargill	Milwaukee Avenue & Dundee Road Wheeling, Illinois	Ex. 148 Y	
42. Michael Gorum	9555 Crawford Skokie, Illinois	Ex. 148 N	

81-E

A 81-E

Supplemental Station Bill

Name	Address	Transmitter Frequency
46. Harold Gerwels & Howard Hasegawa (Harvey & Gerwels)	12340 S Wooden Chicago, Illinois	1W 777 (S)
47. John Hanson	4800 N Paxton Chicago, Illinois	1W 777-S (S) 1W 80F
48. Joel Greenberg	12040 S Halsted Chicago, Illinois	1W 798-S (S)
49. Donald Carlson	7700 S Hall Chicago, Illinois	1W 798-S (S)
50. Rodney Carlson	5200 S Michigan Chicago, Illinois	1W 798-S (S)
51. Geoffrey Bailey	7700 S South Parkway Chicago, Illinois	1W 798-S (S)
52. Charles Hart	7700 S Indiana Chicago, Illinois	1W 778 (S)
53. Leon Hart	5700 S Wentworth Chicago, Illinois	1W 778 (S)
54. William Horton	7200 S Indiana Chicago, Illinois	1W 778 (S)
55. George K Prestwood	3401 S Kedzie Chicago, Illinois	1W 770 (S)
56. Harold Fuchs	5200 S Honore Chicago, Illinois	1W 798 (S)
57. Tommy Thomas	5000 S Ashland Chicago, Illinois	1W 770 (S)
58. Henry Gerard Jones	1100 Kinney Evanston, Illinois	Ex. 1AS X (1)
59. Curtis Bahmann	2000 Hartrand Skokie, Illinois	Ex. 1CS Z
60. Mark Soles	9000 Noyes Street Evanston, Illinois	Ex. 1AS Y 1W 3400 M 1-2057 (S)
61. William Gerlitz	Kilbourne Avenue & Dundee Road Wheeling, Illinois	Ex. 1AS Y
62. Michael Gorka	9955 Greenford Skokie, Illinois	Ex. 1AS N

JAX 606

Respondents' Exhibit 81F

	NAME	ADDRESS	TRANSCRIPT REFERENCE
43.	Frank G. Habjan (Midge's Texaco)	650 Waukegan Road Deerfield, Illinois	Ex. 148 X
44.	Sid Kick	800 North Milwaukee Libertyville, Illinois	Ex. 148 S
45.	James Hoult (Jim's Texaco Service)	Grand & Route 63 Gurnee, Illinois	Ex. 148 D
46.	John Kircher	6001 Dempster Avenue, Morton Grove, Illinois	EX. 148 Q
47.	William Luby	803 Greenbay Road Wilmette, Illinois	Ex. 148 B
48.	Patrick Dell Grazie	3003 Central Street Evanston, Illinois	Ex. 148 P TR 2819-20-30 (P) TR 2822-23-25 (D) TR 2831-32 (M)
49.	Joseph Renick	Lewis & Belvidere Waukegan, Illinois	Ex. 148 G
50.	Ross Rittenhouse	29th & Sheridan Zion, Illinois	Ex. 148 C TR 2601-2 (P) TR 2604-5 (D) TR 2625 (M)
51.	Gilbert Sage	Greenwood Ave. & Sheridan Road Waukegan, Illinois	Ex. 148 H
52.	John Shannon	307 South Milwaukee Libertyville, Illinois	Ex. 148 R
53.	Bill Starovich	1240 Waukegan Road Glenview, Illinois	Ex. 148 M
54.	Steve's Texaco	Buckley, Morrow & Green Bay Road Shields Township (North Chicago)	Ex. 148 F
55.	William Zimmer	Grand & Ash Streets Waukegan, Illinois	Ex. 148 E
5	M & N Texaco William V. McCracken	304 East Central Villa Park, Illinois	(TR 880 (I) (TR 2334 (A) (Ex 11 TR880(I) : TR2334(A)
57.	Herb Felthouse	16th & Lombard Cicero, Illinois	(TR 2758 (A) (Ex 46 A-C
58.	Philip Lowe	32nd & Michigan Chicago, Illinois	(TR 2761 (A) (Ex 47 A-B

JAX 006

Respondents' Exhibit 81G

NAME	ADDRESS	TRANSCRIPT REFERENCE
59. Schon's Texaco	79th & Yates Chicago, Illinois	(TR 2764 (A) (Ex 40 A-C
60. Bruno's Texaco	Cermak & Clinton (same as #1)	(TR 2766 (A) (Ex 41 A-D
61. Newbauer's Texaco	87th & Loomis (same as #2)	(TR 2768 (A) (Ex 50

A'51-G

FEDERAL TRADE COMMISSION

FILED 6495 81-B

17

JAX 607

Respondents' Exhibit 82

COMPARATIVE DATA "C" AND "D" TBA ACCOUNTS
1956 VS. 1952

Data	"C" Accounts 1952	"C" Accounts 1956	"C" Accounts Change	"D" Accounts 1952	"D" Accounts 1956	"D" Accounts Change
Number of Accounts	11,658	14,116	19.04%	17,706	16,141	(8.85%)
% Accounts to Total	40.11%	46.65%	6.54%	59.89%	53.35%	(6.54%)
Total Gasoline Volume	100.00%	131.82%	31.82%	100.00%	97.66%	(2.34%)
% Gasoline to Total	64.08%	70.66%	6.58%	35.92%	29.34%	(6.58%)
Sponsored TBA to Total	70.75%	79.60%	8.85%	29.25%	20.40%	(8.85%)

Source Data: CX-119 for number of dealers.

CX-211 for gasoline volume.

CX-213 for TBA purchases.

FEDERAL TRADE COMMISSION
DATE 6/15 EXHIBIT NO. 82
IN Goodrich
DATE 12/4/58 Glenn
Alel

JAN 1967

Recommended Exhibit 32

COMPARATIVE DATA "OFF AND ON" TEA ACCOUNTS
JAN. VS. APR.

Item	"Off" Accounts Jan.	"Off" Accounts Apr.	Change	"On" Accounts Jan.	"On" Accounts Apr.	Change
Number of Accounts	21,956	14,112	[illegible]	37,708	16,124	[illegible]
% Accounts to Total	[illegible]	44.8%	[illegible]	59.8%	37.7%	[illegible]
Total Operative Volume	105,055	121,820	[illegible]	100,002	97,664	[illegible]
% Operative to Total	51.0%	70.8%	[illegible]	33.7%	29.1%	[illegible]
Operative TEA of Total	70,752	70.8%	[illegible]	29.8%	20.4%	[illegible]

Source Data: TA-119 for number of dealers.

TA-211 for operative volume.

TA-212 for TEA purchases.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

3111

JAX 606

Respondents' Exhibit 83

B.F.Goodrich Tire Company
A Division of The B.F.Goodrich Company
Akron, Ohio

December 2, 1958

FEDERAL TRADE COMMISSION
DOCKET 6415 EXHIBIT NO. 83
IN THE Gossett
DATE 8/4/59 Blazey
ACE REPORTING CO., OFFICIAL REPORTERS
By Ali

ANALYSIS OF
TIRE AND TUBE SALES
THE TEXAS COMPANY AND THE CONTINENTAL OIL COMPANY
YEARS 1954, 1955, 1956, 1957

Oil company distributor and service station accounts are carried on The B.F.Goodrich Company Factory books, Zone books, B.F.Goodrich Store books and independent B.F. Goodrich dealer books. Summaries of accounts carried by B.F.Goodrich Store and independent B.F.Goodrich dealers and sent to Akron show the total tire and tube business without detail as to type, i.e., passenger or non-passenger. On the other hand, copies of the individual invoices to distributors and service stations carried on B.F.Goodrich Factory and Zone books are sent to Akron Sales Accounting Department. These invoices are keypunched as to customer number and class of merchandise and the figures below represent an analysis of this business:

	Total Tire and Tube Sales Through All BFG Outlets	Tire & Tube Sales Recorded On Zone & Factory Books	Size of Sample	Passenger Tires Incl. in Sample	Passenger Tires in Sample
Texas Company					
Year 1954	$11,535,527	$7,696,831	67%	$5,545,255	72%
1955	13,972,793	8,733,912	63	6,309,018	72
1956	14,383,409	8,333,831	58	6,002,576	72
1957	14,467,510	7,053,219	49	5,137,473	73
Continental Oil Company					
Year 1954	$5,328,882	$4,142,823	78%	$2,953,596	71%
1955	6,413,852	5,144,167	80	3,584,729	70
1956	5,911,274	4,675,167	79	3,263,552	70
1957	5,613,348	4,409,586	79	3,177,326	72

T. M. Blazey
Chief Accountant

sg

9115

JAX 006

Respondent's Exhibit 82

B.F.Goodrich Tire Company
A Division of The B.F.Goodrich Company
Akron, Ohio

December 2, 1958

AVIATION
TIRE AND TUBE SALES
THE TIMES CO MAY AND THE CONTINENTAL OIL COMPANY
(JUNE 1956 , 1957, 1958, 1959)

Oil company distributor and service station customers are serviced on the B.F.Goodrich Company factory books. Sales books, B.F.Goodrich Stores books and Independent B.F. Goodrich dealer books. Summaries of accounts carried by B.F.Goodrich Stores and Independent B.F.Goodrich dealers are sent to Akron when the total sales and tube business without detail as to type, i.e., passenger or commercial. On the other hand, some of the individual dealers in distributors and service stations carried on B.F.Goodrich factory and Stores books are sent to Akron Accounting Department. These invoices are schedulled to compare number and kind of equipment and the figures below represent an analysis of this business

Year	Total Tire and Tube Sales through Oil Stations, All Sizes	Tire & Tube Sales through Oil Stations in Passenger Sizes	% of Total Sales, Passenger Sizes	Sales in Commercial Sizes	% in Commercial Sizes
Times Company					
Year 1956	$16,[illegible],127	$7,[illegible],401	46%	$7,[illegible]	72%
1957	12,[illegible],272	6,[illegible],812	50	6,[illegible]	50
1958	14,[illegible],409	6,[illegible],831	42	8,[illegible]	72
1959	14,[illegible],810	7,[illegible],219	49	3,[illegible]	73
Continental Oil Company					
Year 1956	32,[illegible],470	[illegible],142,823	70%	12,[illegible]	71%
1957	8,[illegible],832	2,[illegible],167	80	1,[illegible]	20
1958	3,[illegible],274	2,[illegible],167	79	[illegible],[illegible]	21
1959	5,[illegible],368	4,[illegible],186	79	1,[illegible]	21

T. R. Blaney
Chief Accountant

9115

FIRST IN RUBBER

JAX 600

Respondents' Exhibit 84A

Table 1

SALES OF TBA UNDER COMMISSION PLAN TO TEXACO STATIONS AND DISTRIBUTORS
Actual and Adjusted for Price Changes

	Total TBA	
	Current Dollars	CONSTANT 1948 Dollars
	- - - - (000 $)	- - - -
	(1)	(2)
B. F. Goodrich		
1948	8,738	8,738
1949	8,402	8,377
1950	11,921	10,890
1951	11,406	9,036
1952	12,748	10,322
1953	12,925	11,317
1954	14,823	12,093
1955	17,934	13,617
% Increase 1955 over 1948	105.3	55.7
Firestone		
1948	25,432	25,432
1949	19,796	20,242
1950	20,183	23,041
1951	25,654	20,488
1952	29,566	24,128
1953	31,000	25,560
1954	30,744	24,574
1955	35,552	26,346
% Increase 1955 over 1948	39.7	3.5
Combined		
1948	34,187	34,187
1949	28,198	28,619
1950	40,104	35,901
1951	37,060	29,547
1952	42,326	34,450
1953	44,925	37,177
1954	45,567	36,670
1955	53,486	39,963
% Increase 1955 over 1948	56.5	16.8

FEDERAL TRADE COMMISSION
DOCKET NO. 6467 FILING NO. 84A
IN THE MATTER OF Texaco
DATE 12/5/58 WITNESS Jordan
Rose Reporting Co., Official Reporters
By [illegible]

Column 1 - TBA sales for 1952-1955 shown in Exhibits CX114 and CX115. For prior years, Goodrich data from CX138 and Firestone data from ~~CX115 in Docket Number 6467~~.

Column 2 - First step in deflating total TBA involved breaking down total current dollar TBA into the following categories: tires and tubes, batteries, all other accessories. These three categories were then deflated by appropriate components (see Table II for explanation of deflation techniques and data) of the Bureau of Labor Statistics Wholesale Price Index. Actual data for tires and tubes available for entire period. Actual data for batteries and for other accessories not available prior to 1955. Sales of batteries for years 1948-1954 were estimated by assuming the average of 1955-1958 ratio of batteries to total TBA applied to earlier years. For period 1948-1954 other accessories is the residual obtained by deducting tires and tubes and batteries from total TBA. Column 2, then, represents the sum of the deflated data for (1) tires and tubes, (2) batteries, and (3) other accessories.

Economics Department
11-7-58

2114

JAX 610

Respondents' Exhibit 84B

Table II

COMPONENTS OF BUREAU OF LABOR STATISTICS
WHOLESALE PRICE INDEX USED TO DEFLATE TRA SALES

	Tires and Tubes 1/		Batteries 2/		All Commodities, except Farm and Foods 3/	
	1947-49=100	1948-100	1947-49=100	1948-100	1947-49=100	1948-100
1947	99.4		98.5		95.3	
1948	101.8	100.0	102.9	100.0	103.4	100.0
1949	98.8	97.1	108.5	105.4	101.3	98.0
1950	113.6	111.6	96.8	94.1	103.0	101.5
1951	133.9	131.5	109.5	106.4	115.9	112.1
1952	129.8	127.5	110.0	106.9	113.2	109.5
1953	127.3	126.0	107.9	104.9	114.0	110.3
1954	130.6	128.3	104.2	101.3	114.5	110.7
1955	144.5	142.3	104.6	101.7	117.0	113.2

1/ Bureau of Labor Statistics index of wholesale prices of tires and tubes prepared on a base 1947-49=100, published in Business Statistics, 1957 Biennial Edition, U.S. Department of Commerce, p. 31. Converted to base 1948=100 by Economics Department.

2/ BLS index of wholesale prices of automotive batteries prepared on a base 1947-49=100. Indexes for years 1948-1950 in BLS Prices and Price Relatives for Individual Commodities in the Revised Index, 1947-49, Group 11 - Machinery and Motive Products, p. 11-62. For years 1951-1953 in BLS Prices and Price Relatives for Individual Commodities, 1951-53, Group 11 - Machinery and Motive Products, p. 11-48. For years 1954 and 1955 in BLS Bulletin #1214 Wholesale Prices and Price Indexes, 1954-56, p. 369. Converted to base 1948=100 by Economics Department.

3/ BLS index of wholesale prices of all commodities other than farm products and foods prepared on a base 1947-49=100, published in Business Statistics, 1957 Biennial Edition, U.S. Department of Commerce, p. 28. Converted to base 1948=100 by Economics Department. Because of the numerous items that make up Other Accessories and because of their highly diverse nature, this index deemed the most appropriate deflator.

Economics Department
11-7-58

Table II

CONSTANTS OF MONTHLY LABOR STATISTICS
TOGETHER WITH INDEX USED TO INFLATE THE SERIES

Year	Construction, Mining and Logging	Manufacturing	All Commodities, Manufacturing and Trade
	1947-100	1947-100	1947-100
1941	60.4	40.8	35.7
1942	100.0	100.0	100.0
1943	97.8	98.7	101.5
1944	98.8	98.8	103.0
1945	101.7	101.7	105.5
1946	107.1	109.8	109.8
1947	100.0	100.0	100.0
1948	102.6	104.2	104.0
1949	100.4	101.1	101.7
1950	104.5	101.7	107.0

JAX 611

Respondents' Exhibit 84C

FILED, TRADE COMMISSION
Docket 6485 — Exhibit No.

Table III

INDEXES OF DEFLATED TOTAL TBA SALES UNDER COMMISSION PLAN TO TEXACO DEALERS AND DISTRIBUTORS vs. INDEXES OF TEXACO DIVISION AUTOMOTIVE GASOLINE SALES, OF U. S. PASSENGER CAR REGISTRATIONS AND OF PASSENGER-CAR MILES TRAVELED

	Deflated Total TBA (1948=100)	Division Automotive Gasoline Sales (1948=100)	Passenger Car Registrations (1948=100)	Passenger Car-Miles Traveled (1948=100)
	(1)	(2)	(3)	(4)
1948	100.0	100.0	100.0	100.0
1949	84.5	103.5	109.3	107.1
1950	107.9	109.8	120.0	113.7
1951	86.4	116.1	128.0	122.6
1952	100.9	120.4	131.4	126.3
1953	108.7	123.1	139.3	136.2
1954	108.1	127.5	146.4	140.9
1955	116.6	137.5	156.3	152.5

Column 1 - Index computed by Economics Department from data for Goodrich and Firestone combined shown in Column 2 of Table I.

Column 2 - Index computed by Economics Department from actual data compiled by Texaco Sales Department, Form E-1250. Annual Division Automotive Gasoline Sales, in thousands of gallons, follow: 1948 - 3,037,571; 1949 - 3,153,272; 1950 - 3,334,708; 1951 - 3,526,445; 1952 - 3,656,671; 1953 - 3,740,305; 1954 - 3,873,287; 1955 - 4,176,581.

Column 3 - Index computed by Economics Department basis passenger car registration data compiled by Bureau of Public Roads, published in Automobile Facts and Figures, 1957 Edition, p. 18. Actual passenger car registration totals, in thousands of cars, follow: 1948 - 32,351; 1949 - 36,453; 1950 - 40,254; 1951 - 42,683; 1952 - 43,618; 1953 - 46,460; 1954 - 48,490; 1955 - 52,126. Data at year end.

Column 4 - Index computed by Economics Department basis Bureau of Public Roads data on total passenger car-miles traveled, published in Automobile Facts and Figures, 1957 Edition, p. 66. Actual car-miles traveled, in millions of car-miles, follow: 1948 - 319,743; 1949 - 342,478; 1950 - 363,613; 1951 - 392,131; 1952 - 410,187; 1953 - 435,351; 1954 - 450,606; 1955 - 487,540. While these are the actual figures released by BPR they represent, to be precise, the Bureau's estimates.

Economics Department
11-7-58

JAX 812

Respondents' Exhibit 840

Supplementary Table I

FEDERAL TRADE COMMISSION
DOCKET NO. 6123 EXHIBIT NO.

CURRENT DOLLAR TBA SALES AND CONSTANT DOLLAR TBA BY GOODRICH AND FIRESTONE COMBINED PER 1,000 GALLONS OF GASOLINE SALES--TEXACO "C" ACCOUNTS

	Current Dollar TBA (000 $)	Constant Dollar TBA (000 $)	Gasoline Sales (000 Gallons)	Current Dollar TBA Per 1,000 Gallons of Gasoline Sales	Constant Dollar TBA Per 1,000 Gallons of Gasoline Sales
	(1)	(2)	(3)	(4)	(5)
1948	12,004	12,804	1,079,240	$11.58	$11.86
1949	10,782	11,064	1,185,664	9.09	9.33
1950	15,676	14,479	1,323,690	11.84	10.94
1951	16,223	12,248	1,517,364	10.10	8.13
1952	19,643	16,106	1,682,202	11.68	9.57
1953	22,676	18,861	1,799,464	12.60	10.48
1954	24,141	19,728	1,867,634	12.93	10.56
1955	32,900	21,791	2,246,823	14.12	10.55

Column 1 - Data for 1951-1955 shown in Exhibit CX130 and CX131. For years 1948-1950 data obtained from Texaco Sales Department, Form S-1213.

Column 2 - The technique and price indexes used to convert current dollar TBA sales, shown in Column 1 this table, to a constant 1948 dollar basis are identical with those used to deflate total TBA sales by Goodrich and Firestone combined to all Texaco stations and distributors. See note to Column 2 of Table I and Table II, including notes, for explanation of technique and appropriate price indexes used in deflating.

Column 3 - "C" account gasoline sales for 1952-55 from Exhibit CX211, which shows gasoline sales in barrels. Figures converted to gallons by Economics Department. For year 1948-51 from Annual Report of Texaco Sales Department.

Column 4 - Obtained by dividing current dollar TBA (Column 1) by thousands of gallons of gasoline sales (Column 3).

Column 5 - Obtained by dividing constant dollar TBA (Column 2) by thousands of gallons of gasoline sales (Column 3).

Economics Department
11-7-55

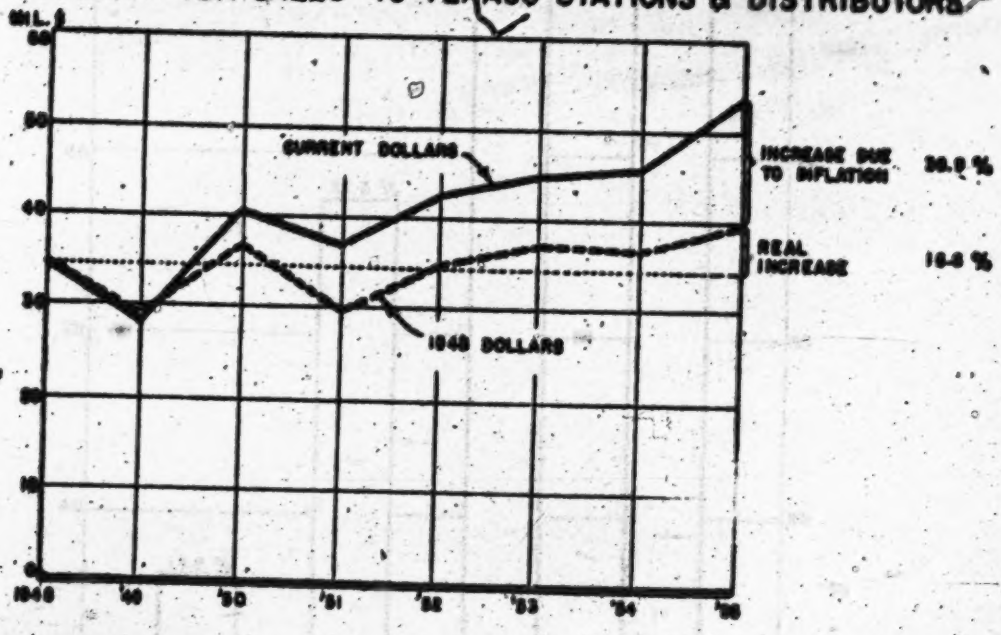
JAX 613

Respondents' Exhibit 85A

FEDERAL TRADE COMMISSION
DOCKET NO. 6485 EXHIBIT NO. 85-A
IN THE MATTER OF Goodrich
DATE 12/5/58 Madrea
ACE REPORTING CO., Official Reporter
By Ace

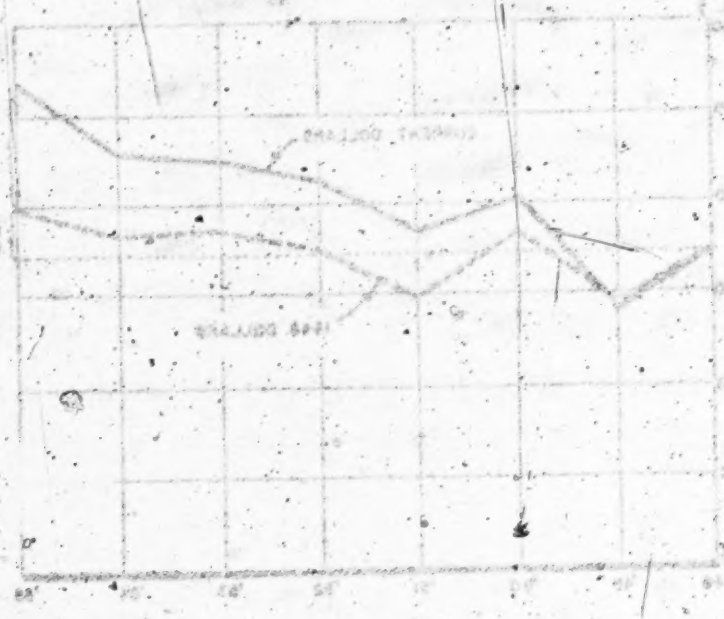
CHART X

INFLATION IS MAJOR FACTOR BEHIND ADVANCE IN DOLLAR VOLUME OF COMBINED FIRESTONE & GOODRICH TBA SALES TO TEXACO STATIONS & DISTRIBUTORS



SOURCE: TABLE X

ECONOMICS DEPARTMENT



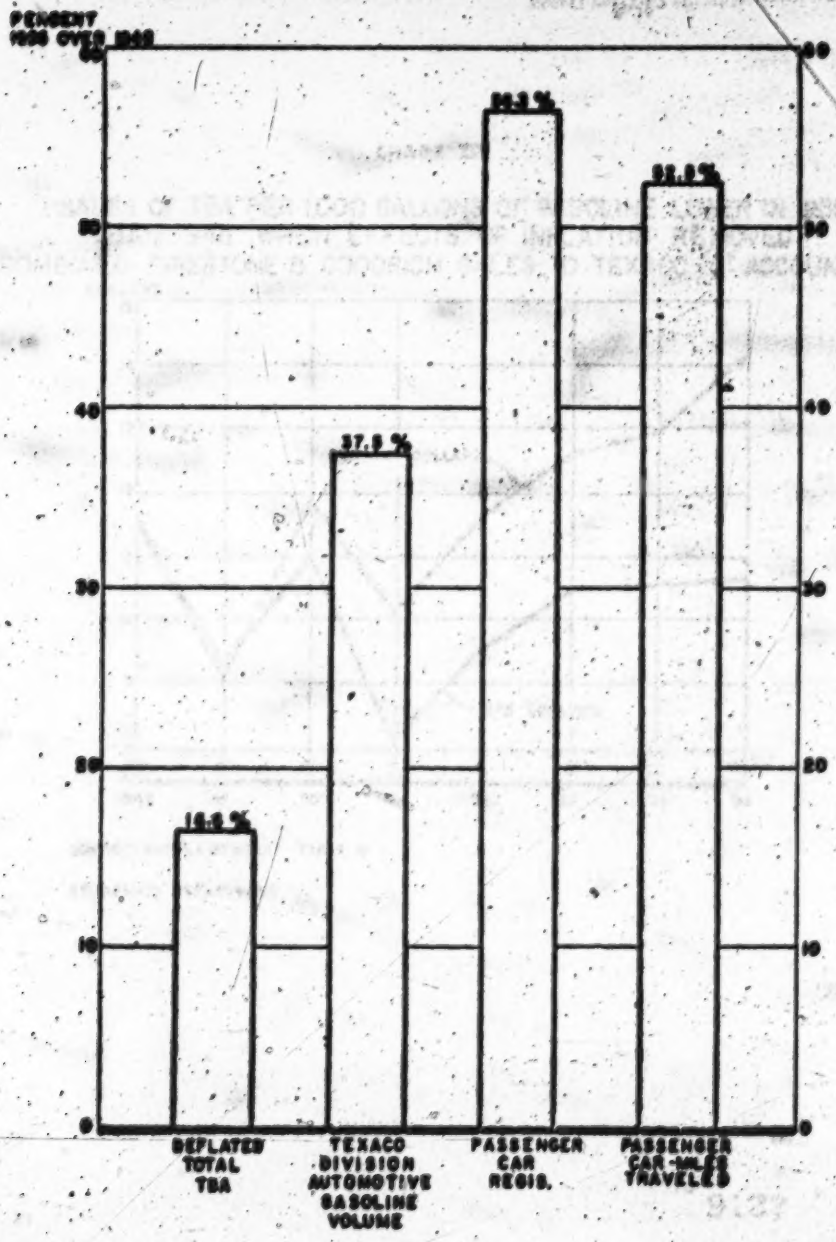
JAX 614

Respondents' Exhibit 85B

CHART XI

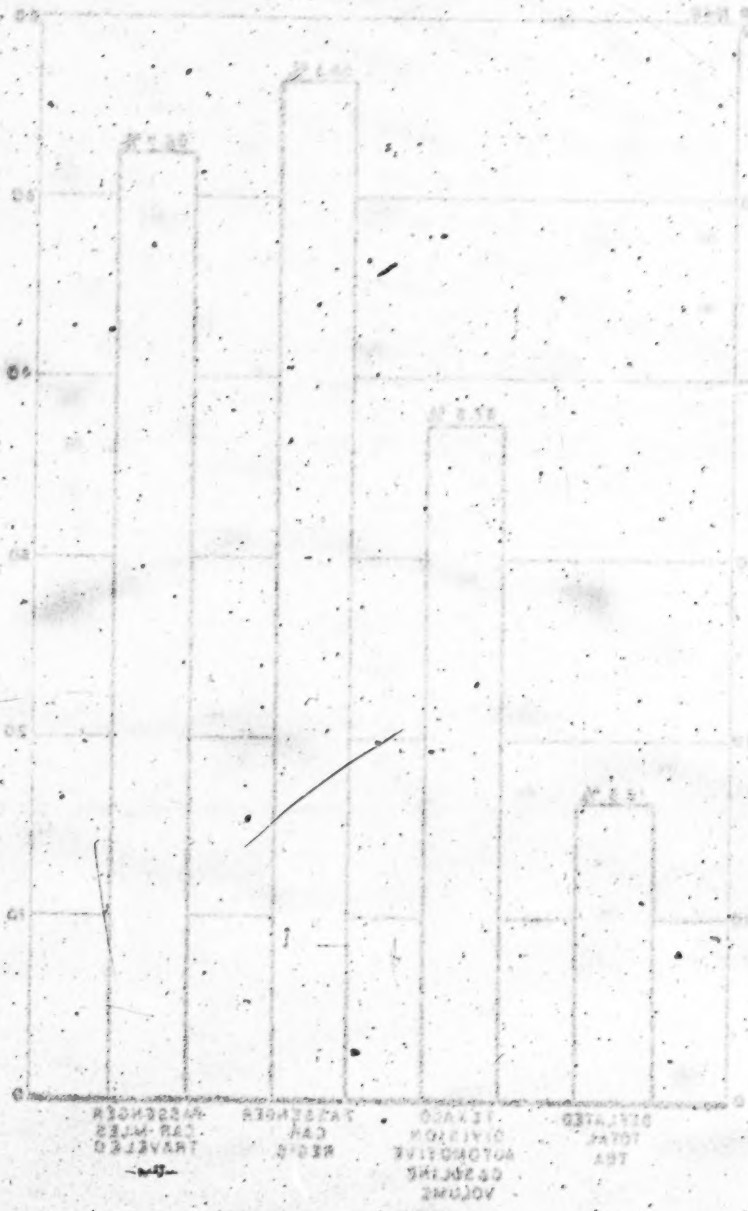
FEDERAL TRADE COMMISSION
DOCKET NO. 6445

TEXACO GASOLINE SALES & PASSENGER CAR REGISTRATIONS & USE INCREASED MORE RAPIDLY THAN COMBINED FIRESTONE & GOODRICH TBA SALES (DEFLATED) TO TEXACO STATIONS & DISTRIBUTORS



SOURCE: TABLE XIX

ECONOMICS DEPARTMENT


PASSENGER CAR-MILES TRAVELED
PASSENGER CAR REGS
TEXACO DIVISION AUTOMOTIVE GASOLINE VOLUME
TOTAL TPA

2

JAX 615

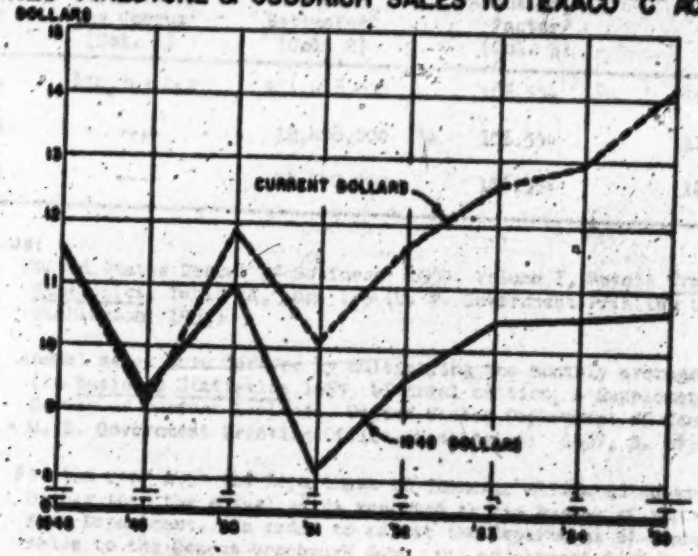
Respondents' Exhibit 88C

R-85-

FEDERAL TRADE COMMISSION
DOCKET NO. 6485 RESPONDENT EXHIBIT NO.

CHART III

SALES OF TBA PER 1,000 GALLONS OF GASOLINE LOWER IN 1955 THAN 1948 WHEN EFFECTS OF INFLATION REMOVED - COMBINED FIRESTONE & GOODRICH SALES TO TEXACO "C" ACCOUNTS



SOURCE: SUPPLEMENTARY TABLE 2

ECONOMICS DEPARTMENT

JAX 616

Respondents' Exhibit 86A

Introduce

COMPUTATION OF TBA SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 1
Annual Sales of Gasoline Service Stations: Department of Commerce Estimates Adjusted to Census of Business Benchmark Data,

(amounts in thousands of dollars)

Year	Sales as Reported by the Census[1] (Col. 1)	Department of Commerce Estimates[2] (Col. 2)	Adjustment Factor[3] (Col. 3)	Adjusted Sales[4] (Col. 4)
1954	$10,743,812	$11,448,000	106.554	$10,743,812
1955	----	12,408,000	106.554	11,644,800
1956	----	13.740,000	106.554	12,894,870

Sources:

1. United States Census of Business: 1954, Volume I, Retail Trade--Summary Statistics, Table 1A, page 1-5 (U. S. Government Printing Office, Washington: 1957)

2. Annual sales were derived by multiplying the monthly average as reported (in Business Statistics, 1957 biennial edition, A Supplement to the Survey of Current Business, United States Department of Commerce, U. S. Government Printing Office, Washington: 1957, p. 46) by 12.

3. For the year 1954 the Department of Commerce estimated sales were 6.554% higher than the actual sales reported by the Bureau of the Census of the same Department. In order to adjust the Department of Commerce estimated sales to the Census benchmark data, the adjustment factor of 106.554% which was computed for the year 1954 was used.

4. Data in column 2 adjusted by figures in column 3. The data in column 4 represent estimates of gasoline service station sales on a basis consistent with the actual figures as reported on a comparable basis by the Census of Business for the year 1954.

FEDERAL TRADE COMMISSION
DOCKET NO. [illegible] EXHIBIT NO. 86A
IN THE MATTER OF [illegible]
DATE [illegible] WITNESS [illegible]
ACE REPORTING CO., Official Reporters
By [illegible]

JAX 617

Respondents' Exhibit 86B

Px

COMPUTATION OF TBA SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 2
Average Retail Price per Gallon of Automotive Gasoline at Gasoline Service Stations.

Year	Regular Grade Gasoline: Average Price[1] (Col. 1)	Regular Grade Gasoline: Per Cent of Total Gallonage[2] (Col. 2)	Regular Grade Gasoline: Weight[3] (Col. 3)	Premium Grade Gasoline: Average Price[4] (Col. 4)	Premium Grade Gasoline: Per Cent of Total Gallonage[2] (Col. 5)	Premium Grade Gasoline: Weight[4] (Col. 6)	Weighted Average Price[5] (Col. 7)
1954	$ .2904	68.8	2.205	$ .3204	31.2	1.000	$ .2998
1955	.2907	68.6	2.185	.3207	31.4	1.000	.3001
1956	.2997	68.1	2.135	.3297	31.9	1.000	.3093

Sources:

1. Consist of simple averages of first-of-month prices in 50 representative U. S. cities and include gasoline taxes in order to make the data comparable with those reported by the U. S. Census of Business in which the sales of gasoline service stations include all such taxes. For the years 1954 and 1955, from Petroleum Facts and Figures, Twelfth Edition 1956 (published by American Petroleum Institute), p. 305; for the year 1956 from National Petroleum News Factbook (A McGraw-Hill Publication) Mid-May 1957-58, page 187. The same prices, but exclusive of taxes, are published in Business Statistics, 1957 Biennial Edition, A Supplement to the Survey of Current Business, U. S. Department of Commerce, p. 174.
2. Data in Table 2A, Col. 3, subtracted from 100.
3. Weight used in computing the weighted average price is based on a weight of 1.000 for premium gasoline. Computed by dividing the per cent of total gallonage for regular gasoline by the corresponding per cent for premium gasoline. Thus, for 1954, 68.8 divided by 31.2 = 2.205.
4. Based on information for price differentials between regular and premium grades of gasoline obtained through independent research.
5. Weighted average price for all gasoline sold by gasoline service stations. Computed by multiplying the price for each grade by the corresponding weight, adding the totals, and dividing the overall total by the sum of weights. Thus, for 1954, $0.2904 times 2.205 plus $0.3204 times 1 = $0.9607, divided by 3.205 (2.205 plus 1) = $0.2998.

FEDERAL TRADE COMMISSION
DOCKET NO. 6711 RESPONDENT'S EXHIBIT NO. 86B

JAX 618

Respondents' Exhibit 88C

Table 2A

PER CENT OF PREMIUM AUTOMOTIVE GASOLINE TO TOTAL GALLONAGE OF AUTOMOTIVE GASOLINE SOLD DURING THE YEARS 1954-1956
(Thousands of Gallons)

As Reported by the Ethyl Corporation and Used for Computations of Data in Table 2

Year	Total[1] (Col. 1)	Premium[1] (Col. 2)	Non-Premium[2] (Col. 3)	Premium, Per Cent of Total[1] (Col. 4)
1954	46,394,232	14,457,078	31,937,154	31.2
1955	49,707,335	15,617,114	34,090,221	31.4
1956	51,836,225	16,534,751	35,301,474	31.9

Sources: 1. Table entitled "U. S. Yearly Gasoline Sales 1936-1956" published by the Ethyl Corporation in Yearly Report of Gasoline Sales, 1956, page 4.
2. Data in Col. 1 less data in Col. 2.

Computed Per Cent of Premium Automotive Gasoline to Total Gallonage of Automotive Gasoline Sold by Retail Outlets Including Gasoline Service Stations: 1954-1956

Year	Estimated Reseller Volume of Non-Premium Gasoline*	Adjusted Total Automotive Gasoline Sales**	Adjusted Premium, Per Cent of Total***
1954	23,952,866	38,409,944	37.6
1955	25,567,666	41,184,780	37.9
1956	26,476,106	43,010,857	38.4

* Estimated reseller volume at 75% of total non-premium gasoline shown in Col. 3 of main table above. This estimate was arrived at, on an extremely conservative basis, in the light of the following data. First, gasoline consumption by motor trucks and buses were computed to be 27.0% of total consumption by U. S. motor vehicles in 1954 and 26.4% in 1955 (from data in Petroleum Facts and Figures, Twelfth Edition, 1956, published by American Petroleum Institute, page 82). Motor trucks and buses, with few exceptions, use non-premium or regular grade gasoline and they purchase about one-half direct. Second, direct purchases of substantial quantities of non-premium gasoline are made for a number of other purposes, a few of which are given here like those made by Class I railroads (46,815,258 gallons in 1954 and 47,756,016 gallons in 1955, Ibid., page 93); for farm consumption (6,775,000,000 gallons in 1953, Ibid., page 84); by the U. S. Army for use in continental United States (123,858,000 gallons in 1954 and 116,411,400 gallons in 1955, Ibid., page 96). In the light of this, it is clear that the Ethyl percentages used are an irreducible minimum in order to avoid resort to incomplete and fragmentary data for the making of more relevant but inaccurate computations.

** Data in preceding column plus data in Col. 2 of main table above.

*** Data in Col. 2 of main table above as a percentage of data in preceding column of this computation.

FEDERAL TRADE COMMISSION
DOCKET NO. 6144 RESPONDENTS EXHIBIT NO. 88C

9125

TAX 018

Respondents' Exhibit 85C

JAX 619

Respondents' Exhibit 6BD

COMPUTATION OF TBA SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 3

Automotive Gasoline Sales by Gasoline Service Stations

(amounts in thousands of dollars)

Year	Total Sales of Service Stations[1] (Col. 1)	Gasoline Sales of Service Stations: Ratio to Total Sales[2] (Col. 2)	Gasoline Sales of Service Stations: Amount[3] (Col. 3)	Average Price per Gallon[4] (Col. 4)	Gasoline Sales in Thousands of Gallons[5] (Col. 5)
1954	$10,743,812	67.3	$7,230,385	.2998	24,115,089
1955	11,644,800	66.8	7,778,726	.3001	25,920,447
1956	12,894,870	66.3	8,549,299	.3093	27,640,799

Sources:

1. From Table 1, Column 4.
2. In 1948 the ratio of gasoline sales to total sales of gasoline service stations was 70.3% (Census of Business: 1948, Volume II, p. 21.02). The remaining 29.7% of the total sales was made up of the sale of lubricants (6.8%), fuel oil (2.0%); services like washing and greasing (5.6%); tires, batteries and accessories (9.1%), and all other sales and services (6.4%).

   According to the Bureau of the Census, the 1948 gasoline sales ratio "was a reduction from the proportion of such sales in 1939, when gasoline accounted for 75 percent of the sales of gasoline service stations with sales of $50,000 or more each, and 77 percent of the sales of smaller stations." (Census of Business: 1948, Volume II, Retail Trade--General Statistics, Part 2, p. 35). On the basis of this information from the most authoritative source available it was concluded that the proportion of gasoline sales to total sales of gasoline service stations would probably decline at the rate of .5% of total sales annually, which would make this percentage 3 points lower in 1954 - the next Census year for which no such data were collected.
3. Derived by applying the ratio shown in column 2 to the data in column 1.
4. From Table 2, column 7.
5. Data in Col. 3 divided by data in Col. 4.

FEDERAL TRADE COMMISSION
DOCKET NO. 7115 RESPONDENT'S EXHIBIT NO. 616

JAX 620

Respondents' Exhibit 86F

COMPUTATION OF THE SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 4

Average Automotive Gasoline Gallonage of Gasoline Service Stations

Year	Total Gasoline Sold By Service Stations (Thousands of Gallons)[1] (Col. 1)	Number of Service Stations[2] (Col. 2)	Average Gallonage per Station[3] (Col. 3)
1954	24,118,029	181,747	132,701
1955	25,920,447	182,097	142,344
1956	27,640,799	182,447	151,500

Sources: 1. From Table 3, Col. 5.

2. For 1948 and 1954 the data reported by the Census (United States Census of Business: 1954, Volume I, Retail Trade--Summary Statistics, Table 1B for 1948, page 1-7 and Table 1A for 1954, page 1-5, U. S. Government Printing Office, Washington: 1957,) on a comparable basis showed 179,647 service stations for 1948 and 181,747 stations for 1954--an increase of 2,100 stations. Assuming the increase to be constant, it would mean a net addition at the rate of 350 stations per year, thus making the number of stations 350 higher in 1955 than the actual figure shown by the Census for 1954 and by another increment of 350 stations for 1956. See also National Petroleum News Factbook, (a McGraw-Hill Publication), Mid-May 1957-58, page 208 estimating 182,090 stations for 1955 and 182,440 for 1956.

3. Data in Column 1 divided by data in Column 2, multiplied by 1,000 (since figures in Col. 1 are in thousands of gallons).

FEDERAL TRADE COMMISSION
DOCKET NO. [illegible] EXHIBIT NO. 567

CONSUMPTION OF TIRE SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS
UNITED STATES, 1954-1956

Table 5
Total Replacement Domestic Market for New Tires and Tubes, at Wholesale Prices (Dealer or Station Cost Basis)
(Based on an Analysis of Total Tire and Tube Sales for Passenger Cars)

Year	New Tire Shipments (units)[1] (Col. 1)	Average Wholesale Price Per Tire[2] (Col. 2)	New Tire Shipments[3] (dollars) (Col. 3)	New Inner Tube Shipments (units)[1] (Col. 4)	Average Wholesale Price Per Tube[2] (Col. 5)	New Inner Tube Shipments[4] (dollars) (Col. 6)	Total Wholesale Value of Domestic Replacement Passenger Car New Tires and Tubes (Col. 7)
1954	47,043,543	$13.41	$630,853,912	29,869,016	$1.71	$51,076,017	$681,929,929
1955	50,124,381	14.70	736,828,401	27,174,923	1.88	51,088,855	787,917,256
1956	53,164,815	15.30	813,421,670	26,270,021	2.02	53,065,442	866,487,112

Sources: 1. Automotive News 1958 Almanac (The Newspaper of the Industry), Detroit, April 28, 1958, page 78.

2. From Col. 5 (for Tires) and Col. 6 (for Tubes) of Table 5A.

3. Derived by multiplying the data in Col. 1 by the price per tire shown in Col. 2.

4. Derived by multiplying the data in Col. 4 by the price per tube shown in Col. 5.

5. Sum of data in Col. 3 and in Col. 6.

JAX 621
Respondents' Exhibit 86H

FEDERAL TRADE COMMISSION
DOCKET No. 8772

JAX 68

Respondents' Exhibit 84

Table 34

COMPUTATION OF WHOLESALE PRICE PER PASSENGER CAR REPLACEMENT TIRE AND TUBE, RESPECTIVELY, DEALER OR STATION COST BASIS: 1948 and 1954-1956

Year	Index of Wholesale Prices: Passenger Car Tires 1947-49=100[1] (Col. 1)	Passenger Car Tires 1954=100[2] (Col. 2)	Passenger Car Tubes 1947-49=100[1] (Col. 3)	Passenger Car Tubes 1954=100[2] (Col. 4)	Wholesale Price per Tire[3]	Wholesale Price per Tube[4]
1948	102.8	75.6	98.3	97.3	10.18	1.66
1954	134.9	100.0	101.0	100.0	13.41	1.71
1955	147.9	109.6	111.1	109.8	14.72	1.88
1956	153.9	114.1	119.4	118.0	15.30	2.02

Sources:

1. For 1948, "Prices and Price Relatives for Individual Commodities in the Revised Index 1947-50, Group 7 -- Rubber and Products," issued February 1952, pages 07-2 and 07-3; for 1954-1956, "Prices and Price Indexes 1954-56," (A Reprint from BLS Bulletin No. 1214) Group 7--Rubber and Rubber Products, page 241, Bureau of Labor Statistics, U. S. Department of Labor.
2. Computed by converting the indexes in the preceding column into that of 1954 as 100.
3. Computed by applying the index in Col. 2 to the $13.41 price per tire determined for 1954 as shown below.
4. Computed by applying the index in Col. 4 to the $1.71 price per tube determined for 1954 as shown below.

COMPUTATION OF 1954 PRICE TO DEALERS OF A REPLACEMENT PASSENGER CAR TIRE AND TUBE

	Number	Total Value	F.O.B. Plant Price per Unit
1. Total factory shipments in 1954:[a]			
a. Passenger car pneumatic tires	70,715,000	$953,650,000	$13.49
b. Passenger car inner tubes	42,090,000	74,115,000	1.76

2. Average price per tire at retailer's cost, assuming a gross margin for wholesaling of 17% of selling price[b] ($11.19 divided by 83% and multiplied by 100)..... $13.41
3. Average price per tube at retailer's cost, assuming a gross margin for wholesaling of 17% of selling ($1.42 divided by 83% and multiplied by 100)..... $ 1.71

a. Census of Manufactures, 1954, Advanced Report Series MC-30.3, Tires and Inner Tubes Industry, Table 3.

b. Percentage was determined after consultation with research personnel of several tire and rubber companies and after careful study of all available data on the subject. That this is an extremely conservative figure can be seen from the fact that in 1954 the operating expenses of tire and tube wholesalers were reported by the Census to be 22.3% of sales (1954 Census of Business, Volume IV, Wholesale Trade-Area Statistics, U. S. Government Printing Office, 1956, p. 1-3).

Table 2

COMPARISON OF WHOLESALE PRICES FOR PASSENGER CAR REPLACEMENT TIRE AND TUBE, RESPECTIVELY, SEALED OR STATIONARY COST BASIS: 1948 and 1954-1958

Year	Index of wholesale prices: Passenger car tires: 1947-49=100[a] (Col. 1)	Passenger car tubes: 1947-49=100[a] (Col. 2)	Passenger car tires: 1947-49=100[a] (Col. 3)	Passenger car tubes: 1947-49=100[a] (Col. 4)	Wholesale prices for tires[b] (Col. 5)	Wholesale prices for tubes[b] (Col. 6)
1948	102.0	75.6	98.5	97.3	10.14	1.66
1954	101.9	100.0	101.2	100.0	12.41	1.71
1957	107.9	109.6	111.1	109.8	14.10	1.80
1958	105.9	114.1	110.4	110.0	15.30	2.05

Sources:

a. For 1948, "Prices and Price Relatives for Individual Commodities in the Revision Index 1947-49, Group 1 -- Rubber and Products," Issued February 1950, pages 07-8 and 07-9; for 1954-1958, "Prices and Price Indexes, 1958," p. 14 Reprint from BLS Bulletin No. 1241) Group 7--Rubber and Rubber Products, page 24, Bureau of Labor Statistics, U. S. Department of Labor.

b. Computed by converting the indexes in the preceding column into that of 1948 as 100.

c. Computed by applying the index in Col. 3 to the $13.41 price per tire de-termined for 1954 as shown below.

d. Computed by applying the index in Col. 4 to the $1.71 price per tube de-termined for 1954 as shown below.

CONSTRUCTION OF 1954 PRICE TO DEALERS OF A REPLACEMENT PASSENGER CAR TIRE AND TUBE

	F.O.B. Plant: Number	Total value	Price per Unit
1. Factory shipments in 1954:[a]			
a. Passenger car replacement tires	76,112,000	$1,021,696,000	$13.43
b. Passenger car inner tubes	72,090,000	74,118,000	1.03
2. Average price per tire at retailer's cost, assuming a gross margin for wholesaling of 17% of selling price[b] ($13.43 divided by 83% and multiplied by 100)			$16.18
3. Average price per tube at retailer's cost, assuming a gross margin for wholesaling of 17% of selling ($1.03 divided by 83% and multiplied by 100)			$ 1.24

a. Census of Manufactures: 1954, Advance Report Series MC-26.1, Tires and Inner Tubes Industry, Table 3.

b. Percentage was determined after consultation with research personnel of several tire and rubber companies and after careful study of all avail-able data on the subject. That this is an extremely conservative figure can be seen from the fact that in 1954 the operating expenses of tire and tube wholesalers were reported by the Census to be 22.1% of sales (1954 Census of Business, Volume IV, Wholesale Trade-Area Statistics, U. S. Government Printing Office, 1956, p. 1-3).

JAX 613

Respondents' Exhibit 613

FEDERAL TRADE COMMISSION

DOCKET NO. [illegible]

COMPUTATION OF TRA SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 6

Total TRA Sales, At Station Cost, By Gasoline Service Stations
(Based on an Analysis of Total Tire and Tube Sales for Passenger Cars)

Year	Total Wholesale Value of Domestic Replacement Passenger Car New Tires and Tubes[1] (Col. 1)	Share Accounted for by Gasoline Service Stations		Ratio of Tire and Tube Sales in Gasoline Service Stations to Total Sales	Total TRA Sales
		Per Cent[2] (Col. 2)	Amount[3] (Col. 3)	(Col. 4)	(Col. 5)
1954	$681,989,989	42.83	$292,079,369	[illegible]	[illegible]
1955	797,917,256	42.83	337,484,[illegible]	[illegible]	[illegible]
1956	$866,487,118	42.83	371,116,[illegible]	[illegible]	[illegible]

Sources:

1. From Table 5, last column.
2. In connection with the 1948 Census of Retail Trade, 77.5% of the business volume reported by gasoline service establishments was derived from commodities or merchandise lines. In this breakdown were included sales of $268,925,000 in tires (new and used) and $111,337,000 in accessories and accessories. (United States Census of Business: 1948, Volume II, p. 21.02). When adjusted for the 8.5% of the volume that was not known to be merchandise line, on the assumption that the 77.5% of the volume was certainly representative of the total, the sales of tires (new and used) amounted to $273,020,518 and of batteries and accessories they were [illegible], with a total TRA volume of $615,653,332. In terms of station cost, total TRA sales, based on an average gross margin of 29% of selling price, amounted to $437,113,866 ($615,653,332 x 71%) and sales of tires and tubes based on an average gross margin of 26% of selling price, amounted to $201,107,479 ($273,020,518 x 74%). This means that sales of tires and tubes, in 1948, were 42.83% of total domestic replacement passenger car tire and tube sales in 1948 (41,895,434 tires as shown in Appendix [illegible] at $10.14 per tire as shown in Col. 5 of Table 5; [illegible] at $1.66 per tube as shown in Col. 5 of Table 5, or [illegible] of the $476,539,120).
3. Data in Col. 1 times the percentage in Col. 2.
4. Derived by dividing the cost of sales of tires and tubes by the base of sales of total TRA for the year 1948 for which such information is available from original sources ($201,107,179 divided by $437,113,866) and applying such percentage to the data for the years 1954-1956.
5. Data in Col. 3 times the percentage shown in Col. 4.

COMPUTATION OF TPA SALES, AT SELLING COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, DURING EQUAL, 1974-1976

Table 6

Total TPA Sales, at Selling Cost, by Gasoline Service Stations
(Based on an Analysis of Total Tire and Tube Sales for Passenger Cars)

Year	Total Wholesale Value of Tires and Passenger Car New Tires and Tubes (Col. 1)	State Accounted for by Gasoline Service Stations: Amount (Col. 2)	State Accounted for by Gasoline Service Stations: Percent (Col. 3)	Ratio of Tire and Tube Sales to total TPA Sales (Col. 4)	Total TPA Sales by Gasoline Service Stations (Col. 5)
1974	$[illegible]	[illegible]	$292,070,[illegible]	16.03	$[illegible]
1975	$[illegible]	[illegible]	$[illegible]	16.09	$[illegible]
1976	$[illegible]	[illegible]	$[illegible]	16.09	$[illegible]

Sources:

1. From Table 5, last column.
2. In connection with the 1974 Census of Retail Trade, 97.7% of the business volume reported by gasoline service establishments was driven from by vehicles or motorcycle lists. In this tabulation were included sales of $[illegible],000 in tires (new and used) and $[illegible],000 in batteries and accessories. (United States Census of Business: 1948, Volume II, p.21.00).
3. Based on data for the 2.3% of the volume that was not broken down, by merchandise line, on the assumption that the 97.5% of the volume was certainly representative of the total, the sales of tires (new and used) amounted to $[illegible],312 and of batteries and accessories they were $[illegible],820, with a total TPA volume of $[illegible],[illegible]. In terms of selling cost, total TPA sales, based on an average gross margin of 40% of selling price, amounted to $[illegible],[illegible],[illegible] (4[illegible],[illegible],[illegible] x 1%) and sales of tires and tubes, based on an average gross margin of 26% of selling price, amounted to $[illegible],[illegible] ([illegible],[illegible],[illegible] x 1%). This means that sales of tires and tubes, at cost, were 42.[illegible]% of total domestic replacement passenger car tire and tube sales in 1948 ($1,[illegible] tires as shown in Automotive New 1949 almanac at $16.16 per tire as shown in Col. 1 of Table 5, plus $[illegible] tubes shown in the almanac at $1.[illegible] per tube as shown in Col. 6 of Table 5, or a total of $[illegible],[illegible]).
4. Note in Col. 3 times the percentage in Col. 2.
5. Derived by dividing the cost of sales of tires and tubes by the cost of sales of total TPA, for the year 1948 for which such information is available from official sources ($[illegible],[illegible],[illegible] divided by $[illegible],[illegible],[illegible]) and applying such percentage to the data for the years 1974-1976.
6. Note in Col. 3 times the percentage shown in Col. 4.

CONSUMPTION OF TIRE SIZES, AT RETAIL COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 7

Number of Gasoline Service Stations Handling Tires & Tubes and Number of Stations Handling Batteries and Automotive Accessories

Year	Total Number of Service Stations[1] (Col. 1)	Net Stations Authorized[2] (Col. 2)	Stations Discontinued[3] (Col. 3)	Stations Handling Tires & Tubes: Number[4] (Col. 4)	Stations Handling Tires & Tubes: Per Cent of Total[5] (Col. 5)	Stations Handling Batteries and Accessories: Number[4] (Col. 6)	Stations Handling Batteries and Accessories: Per Cent of Total[5] (Col. 7)
1954	182,747	9,021	8,671	126,255	69.1	135,491	74.1
1955	182,097	9,826	9,476	127,844	70.2	138,385	76.0
1956	182,447	10,615	10,265	131,705	72.2	141,186	77.3

Sources: 1. From Table 6, Col. 2.
2. For 1954 and 1955, from Petroleum Facts and Figures, Twelfth Edition, 1956, page 271; for 1956, from National Petroleum News Factbook (McGraw-Hill Publications), Mid-May 1957-58, page 209.
3. Computed by subtracting from the data in Col. 2 the differences between the data in Col. 1 for the current year from those for the preceding year.
4. Computed by adding to the number for the preceding year the additional stations derived from a computation based on the assumption, first that 60.7% of the additional stations handling tires and tubes and 70.1% of those handling batteries and accessories had been added for all service stations in 1953 and, second, that 97% of the same additional stations would be handling the products.
Starting with 179,847 service stations in 1954 as per Census figures and deducting 8,671 stations, and using data for the same stations handling tires & tubes (1,000 in 1954, 1,139 in 1955, 1,098 in 1956, 1,250 in 1957, and 1,[illegible] in 1958) to obtain the number of stations handling tires and tubes and those handling batteries and accessories, respectively, for each of the years until the 1957 Census, there is thus obtained 126,255 stations handling tires and tubes and 135,491 stations handling batteries and accessories.
5. Derived by dividing the figures in the preceding column by the figure in Col. 1.

FEDERAL TRADE COMMISSION
[illegible]

CONSTITUTION OF THE SALES, AT RETAIL COST, PER 1,000 GALLONS OF
GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1924-1926

Table 7

Number of Gasoline Service Stations Handling Tires & Tubes and Number of Stations Handling Batteries and Automotive Accessories

Year	Total Number of Service Stations[1] (Col. 1)	New Stations Authorized[2] (Col. 2)	Stations Discontinued[3] (Col. 3)	Stations Handling Tires & Tubes Number[4] (Col. 4)	Stations Handling Tires & Tubes Per Cent of Total[5] (Col. 5)	Stations Handling Batteries and Accessories Number (Col. 6)	Stations Handling Batteries and Accessories Per Cent of Total[5] (Col. 7)
1924	181,741	9,021	8,621	121,525	66.8	135,491	74.6
1925	182,037	9,896	9,416	127,864	70.2	134,305	76.0
1926	182,441	10,615	10,265	131,104	72.2	141,466	77.5

Sources: 1. From Table 4, col. 2.
2. For 1924 and 1925, from Petroleum Facts and Figures, Twelfth Edition, 1926, page 291; for 1926, from National Petroleum News Factbook (& Directory-Buyers Guide), "Mid-May 1927-28, page 209.
3. Computed by subtracting from the data in Col. 2 the difference between the data in Col. 1 for the current year from those for the preceding year.
4. Computed by adding to the number for the preceding year the additional stations derived from a compilation based on the assumption, first that 62.7% of the discontinued stations handling tires and tubes and 70.1% of those handling batteries and accessories--the same percentages as obtained for all service stations in 1926--and, second, that 91% of the newly constructed stations would be handling TBA products.
Starting with 175,647 service stations in 1923 as per Census figures and assuming an annual net addition of 350 stations, and using data for new stations authorized (1,191 in 1923, 4,183 in 1924, 5,438 in 1925, 3,092 in 1926, 3,025 in 1927, and 4,307 in 1928)--it was possible to compute the number of stations handling tires and tubes and those handling batteries and accessories, respectively, for each of the years until the 1926 figures shown in this table of 131,104 stations handling tires and tubes and 135,491 stations handling batteries and accessories.
5. Derived by dividing the figures in the preceding column by the total in Col. 1.

FEDERAL TRADE COMMISSION
Exhibit No. [illegible]

Respondents' Exhibit 20X

JAX [illegible]

Respondents' Exhibit No.

FEDERAL TRADE COMMISSION

DOCKET NO. [illegible]

COMPUTATION OF TBA SALES, AT STATION COST, PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1954-1956

Table 8

Average Sales of Tires & Tubes and Average Sales of Batteries & Accessories per Gasoline Service Station Handling Specified Line

(Based On An Analysis of Total Tire and Tube Sales for Passenger Cars)

Year	Tires and Tubes: Total Sales by Service Stations[1] (Col. 1)	Tires and Tubes: Number of Stations Handling[2] (Col. 2)	Tires and Tubes: Average Sales per Station[3] (Col. 3)	Batteries and Accessories: Total Sales by Service Stations[4] (Col. 4)	Batteries and Accessories: Number of Stations Handling[5] (Col. 5)	Batteries and Accessories: Average Sales per Station[6] (Col. 6)
1954	$292,070,589	124,255	$2,350.57	$113,482,182	133,497	$2,460.18
1955	337,464,961	127,844	2,639.66	385,312,852	138,383	2,784.35
1956	371,116,430	131,705	2,817.79	423,735,636	141,486	2,994.89

Sources:

1. From Table 6, Col. 3
2. From Table 7, Col. 4
3. Data in Col. 1 divided by data in Col. 2.
4. Computed from data in Table 6 (data in Col. 4 less data in Col. 3).
5. From Table 7, Col. 6.
6. Data in Col. 4 divided by data in Col. 5.

8432

[illegible]

Respondents' Exhibit [illegible]

FINANCIAL TRADE COMMISSION

[illegible]

CONSUMPTION OF TEN SALES, AT STATION [illegible], PER 1,000 GALLONS OF GASOLINE SOLD BY GASOLINE SERVICE STATIONS, UNITED STATES, 1934-1936

Table 8

Average Sales of Tires & Tubes and Average Sales of Accessories & Merchandise per Gasoline Service Station Handling Specified Line

(Based on An Analysis of Total Tire and Tube Sales for Passenger Cars)

Year	Tires and Tubes: Total Sales by Service Stations Handling[1] (Col. 1)	Tires and Tubes: Number of Stations Handling[2] (Col. 2)	Tires and Tubes: Average Sales per Station[3] (Col. 3)	Batteries and Accessories: Total Sales by Service Stations (Col. 4)	Batteries and Accessories: Number of Stations Handling[5] (Col. 5)	Batteries and Accessories: Average Sales per Station[6] (Col. 6)
1934	[illegible]	124,095	42,370.37	6,111,482,182	135,407	42,461.18
1935	337,464,901	127,844	2,639.66	785,312,850	138,395	5,704.34
1936	374,116,430	131,705	2,817.79	423,723,634	141,466	2,994.89

Sources:

1. From Table 6, Col. 3
2. From Table 7, Col. 4
3. Data in Col. 1 divided by data in Col. 2.
4. Computed from data in Table 6 (data in Col. 4 less data in Col. 3).
5. From Table 7, Col. 5.
6. Data in Col. 4 divided by data in Col. 5.

JAX 627

Respondents' Exhibit No.

FEDERAL TRADE COMMISSION

JAX 628

Respondents' Exhibit No.

DATE

ACT REPORTING CO., Court Reporters

By

FEDERAL TRADE COMMISSION

DOCKET 4.6.714. RESPONDENT EXHIBIT NO. 714

Table 9

TBA Sales at Station Cost per 1,000 Gallons of Gasoline Sold, Gasoline Service Stations, United States, 1954-1956

TBA DATA BASED ON AN ANALYSIS OF TOTAL TIRE AND TUBE SALES FOR MANUFACTURING USE ONLY

Year	Tire and Tubes[1] (Col. 1)	Batteries and Accessories[2] (Col. 2)	Total TBA Products[3] (Col. 3)	Gasoline (Gallons)[4] (Col. 4)	TBA Sales per 1,000 Gallons[5] (Col. 5)
	Annual Sales per Station of:				
1954	$3,350.37	$2,461.18	$5,811.75	138,704	$36.86
1955	2,639.66	2,784.33	5,423.99	144,344	38.10
1956	2,817.79	2,994.89	5,812.68	151,900	38.37

Sources:
1. From Table 8, Col. 3.
2. From Table 8, Col. 5.
3. Sum of the data in the preceding two columns.
4. From Table 4, Col. 3.
5. Data in Col. 3 divided by data in Col. 4. These estimates are, as pointed out at many places, at station cost, i.e., at prices paid by gasoline service stations to suppliers.

(a) Fiscal year ends October 31.

(b) Fiscal year ends November 30.

(c) Fiscal year ends September 30.

SOURCE: Basic data from Standard & Poor's Corporation, Standard Corporation Descriptions, 1956.

TAX [illegible]

Responsible: [illegible] [illegible]

NATIONAL TRADE [illegible]
[illegible] [illegible] [illegible]

Table 9

Tax Rates on Motor Fuel per 1,000 Gallons of Gasoline Sold, Selected Service Stations, United States, 1938-1939

The data shown on the basis of total time and work hours for electricity plus only

Year	Time and Tuesday (Col. 1)	Average and Associates (Col. 2)	Total and Production (Col. 3)	Gasoline (Gallons) (Col. 4)	Tax Rates per 1,000 Gallons (Col. 5)
1938	59,320.37	32,163.18	34,511.[illegible]	1,[illegible],703	[illegible].26
1939	2,[illegible].00	2,[illegible].37	3,[illegible].01	[illegible],344	[illegible].10
1940	2,[illegible].79	2,[illegible].80	2,[illegible].28	[illegible],500	32.37

Sources:

1. From Table 8, Col. 2.
2. From Table 8, Col. 3.
3. Sum of the data in the preceding two columns.
4. From Table 8, Col. 4.
5. Data in Col. 3 divided by data in Col. 4. These estimates are, at periods [illegible] at many places, at station level [illegible], at periods paid by gasoline [illegible] station to supplier.

JAX 41

Respondents' Exhibit No.

FEDERAL TRADE COMMISSION

DOCKET NO. [illegible] EXHIBIT NO. [illegible]

RESPONDENT [illegible]

IN THE MATTER OF [illegible]

DATE [illegible] WITNESS [illegible]

ACE REPORTING CO., Official Reporters

BY

PERCENTAGE INCREASE IN NET SALES, 1955 OVER 1948, FOR SPECIFIED TIRE AND RUBBER MANUFACTURERS

Net Sales of Specified Tire and Rubber Manufacturers, 1955 Compared with 1948
(Amounts are in thousands of dollars)

	1948	1955	Percent Change 1955 from 1948
Cooper Tire & Rubber Co.	$ 7,777	$ 23,628	+204.1
General Tire & Rubber Co. (b)	105,908	297,731	+179.2
Mansfield Tire & Rubber Co.	28,679	74,[illegible]	+160.0
Dayton Rubber Co. (a)	27,[illegible]	69,150	+153.0
Armstrong Rubber Co. (c)	33,[illegible]	68,[illegible]	+107.2
Goodyear Tire & Rubber Co.	704,[illegible]	1,372,176	+ 94.7
B. F. Goodrich Co.	419,[illegible]	[illegible]	+ 79.9
Firestone Tire & Rubber Co. (a)	633,858	1,11[illegible],870	+ 75.6
Mohawk Rubber Co.	8,[illegible]	13,[illegible]	+ 60.[illegible]
Seiberling Rubber Co.	28,414	[illegible]	+ 61.[illegible]
United States Rubber Company	573,013	926,1[illegible]	+ 61.6
Corduroy Rubber Co.	4,880	[illegible]	+ 49.7
Lee Rubber & Tire Corp. (a)	35,702	45,912	+ 28.6

(a) Fiscal year ends October 31.

(b) Fiscal year ends November 30.

(c) Fiscal year ends September 30.

SOURCE: Basic data from Standard & Poor's Corporation, Standard Corporation Descriptions, 1956.

JAX 627

Respondents' Exhibit 88

FEDERAL TRADE COMMISSION

DOCKET NO. _____ RESPONDENT EXHIBIT NO. _____

IN THE MATTER OF _____

DATE _____ WITNESS _____

ACE REPORTING CO. Official Reporters

BY _____

Net Sales of Specified Tire and Rubber Manufacturers, 1955 compared with 1948
(Amounts are in thousands of dollars)

	1948	1955	Percent Change 1955 from 1948
Cooper Tire & Rubber Co.	$ 7,771	$23,628	+204.1
General Tire & Rubber Co. *(b)	105,908	[illegible],731	+179.2
Generalized Tire & Rubber Co.	29,670	[illegible],556	+160.0
Dayton Rubber Co. (a)	27,328	69,150	+153.0
Armstrong Rubber Co. (c)	33,209	68,982	+107.2
Goodyear Tire & Rubber Co.	726,976	1,372,176	+ 94.7
B. F. Goodrich Co.	419,759	755,017	+ 79.9
Firestone Tire & Rubber Co. (a)	633,858	1,114,870	+ 75.6
Mohawk Rubber Co.	8,482	14,330	+ 68.9
Seiberling Rubber Co.	28,414	45,987	+ 61.8
United States Rubber Company	573,033	926,185	+ 61.5
Goodyear Rubber Co.	4,880	7,205	+ 47.6
Lee Rubber & Tire Corp. (a)	35,702	45,912	+ 28.6

(a) Fiscal year ends October 31.

(b) Fiscal year ends November 30.

(c) Fiscal year ends September 30.

SOURCE: Basic data from Standard & Poor's Corporation, Standard Corporation Descriptions, 1956.

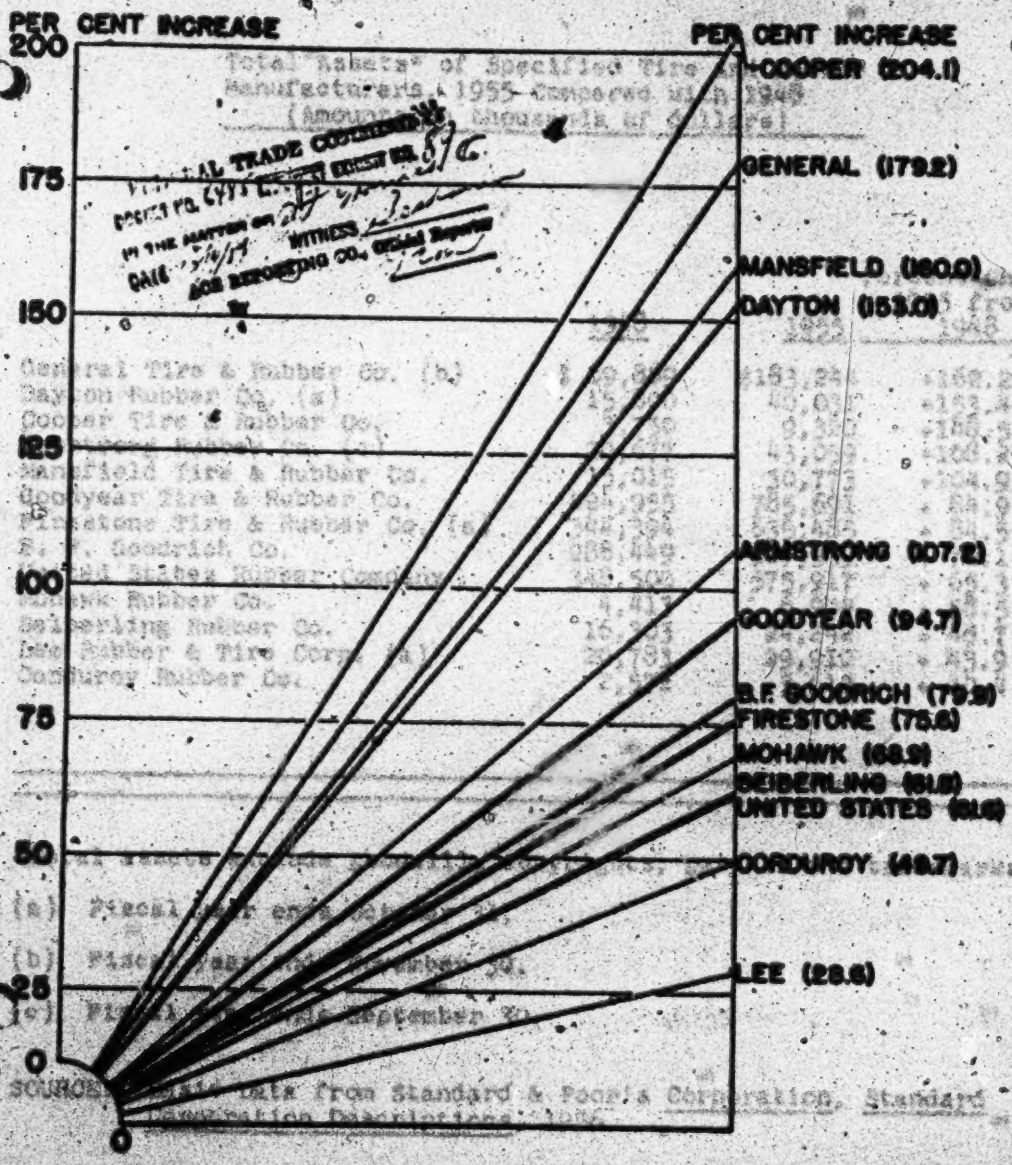
JAX 638

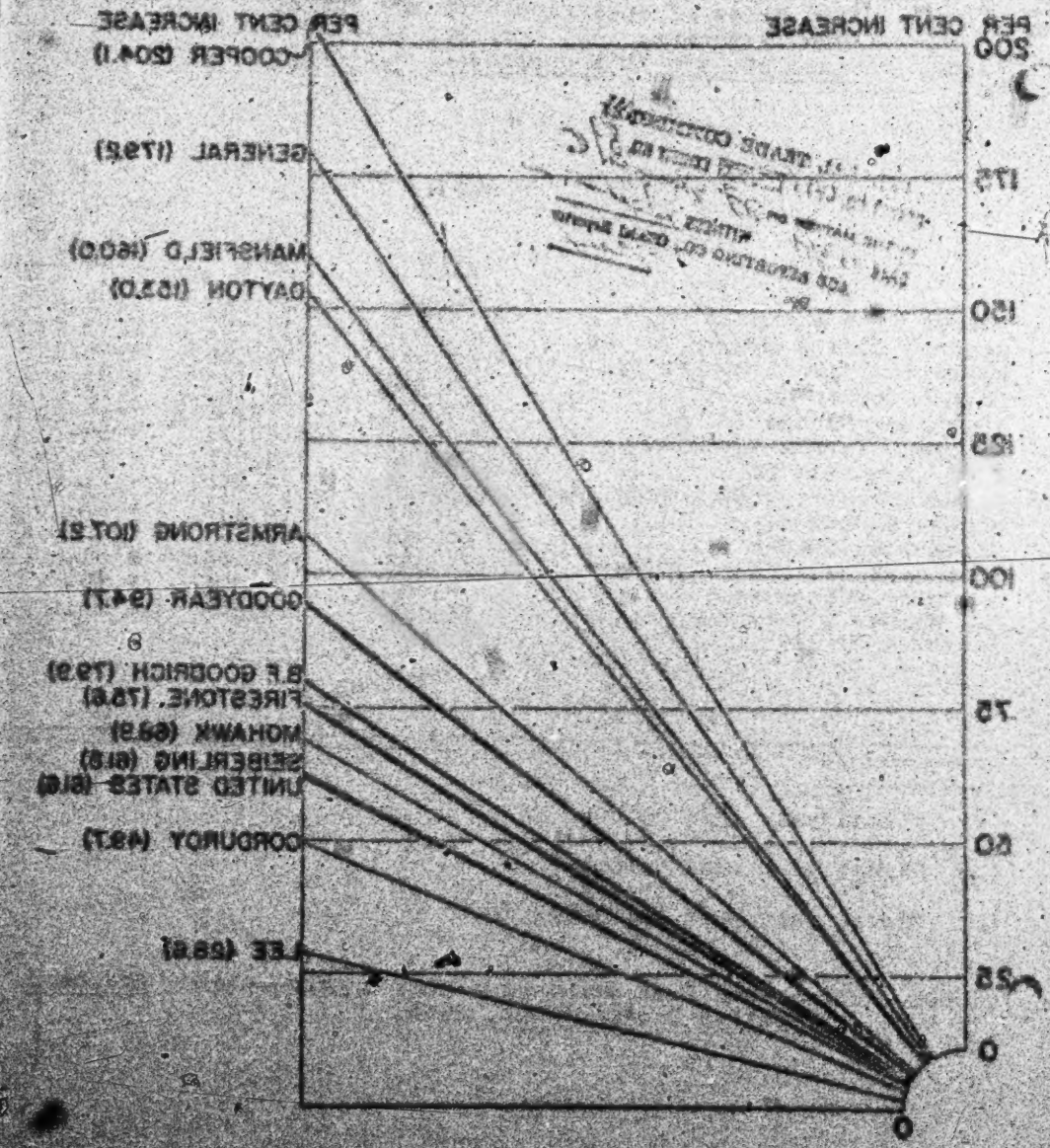
Respondents' Exhibit 89

JAX 638

Respondents' Exhibit 89

PERCENTAGE INCREASE IN NET SALES, 1955 OVER 1948, FOR SPECIFIED TIRE AND RUBBER MANUFACTURERS




PER CENT INCREASE
200
175
150
125
100
75
50
25
0
0
PER CENT INCREASE
COOPER (204.1)
GENERAL (175.2)
MANSFIELD (150.0)
DAYTON (152.0)
ARMSTRONG (107.2)
GOODYEAR (94.7)
B.F. GOODRICH (79.9)
FIRESTONE (78.6)
MOHAWK (68.9)
SEIBERLING (61.0)
UNITED STATES (61.0)
CORDURAY (49.7)
(28.6)

JAX 6[illegible]

Respondents' Exhibit No.

FEDERAL TRADE COMMISSION
DOCKET NO. 7[illegible]
IN THE MATTER OF
DATE
ACE REPORTING CO.

PERCENTAGE INCREASE IN TOTAL ASSETS WITH 1948, FOR SPECIFIED TIRE AND RUBBER MANUFACTURERS

PER CENT INCREASE

200

175

150

125

100

75

50

25

0

Total Assets* of Specified Tire and Rubber Manufacturers, 1955 Compared with 1948
(Amounts in thousands of dollars)

	1948	1955	Percent Change 1955 from 1948
General Tire & Rubber Co. (b)	$ 69,889	$183,244	+162.[illegible]
Dayton Rubber Co. (a)	15,800	40,031	+153.4
Cooper Tire & Rubber Co.	3,790	9,[illegible]	+1[illegible]
Armstrong Rubber Co. (c)	20,677	43,[illegible]	+1[illegible]
Mansfield Tire & Rubber Co.	15,015	30,[illegible]	+1[illegible]
Goodyear Tire & Rubber Co.	424,955	[illegible]	+[illegible]
Firestone Tire & Rubber Co. (a)	344,104	[illegible]	+[illegible]
B. F. Goodrich Co.	286,149	[illegible]	+[illegible]
United States Rubber Company	348,500	[illegible]	+[illegible]
Mohawk Rubber Co.	4,413	[illegible]	+[illegible]
Seiberling Rubber Co.	14,103	[illegible]	+[illegible]
Lee Rubber & Tire Corp. (a)	20,783	[illegible]	+[illegible]
Corduroy Rubber Co.	2,578	[illegible]	+[illegible]

*Total assets exclude goodwill, copyrights, patents and trademarks.

(a) Fiscal year ends October 31.

(b) Fiscal year ends November 30.

(c) Fiscal year ends September 30.

SOURCE: Basic Data from Standard & Poor's Corporation, Standard Corporation Descriptions, 1956.

*TOTAL ASSETS EXCLUDE GOODWILL, COPYRIGHTS, PATENTS, AND TRADE MARKS.

JAX 650

Respondents' Exhibit 20

FEDERAL TRADE COMMISSION
DOCKET NO. 8593 : NOTICE TO TAKE DEPOSITION
In the Matter of
WITNESS
DATE
ACE REPORTING CO. Court Reporters
BY

Total Assets* of Specified Tire and Rubber Manufacturers, 1955 Compared with 1948
(Amounts in thousands of dollars)

	1948	1955	Percent Change 1955 from 1948
General Tire & Rubber Co. (a)	$ 59,889	$153,244	+156.4
Dayton Rubber Co. (a)	15,800	40,021	+153.4
Cooper Tire & Rubber Co.	3,750	9,320	+148.5
Armstrong Rubber Co. (c)	20,077	43,050	+114.5
Mansfield Tire & Rubber Co.	15,015	30,773	+104.9
Goodyear Tire & Rubber Co.	424,955	783,693	+ 84.5
Firestone Tire & Rubber Co. (a)	344,334	635,465	+ 84.5
B. F. Goodrich Co.	288,449	507,239	+ 76.1
United States Rubber Company	346,500	575,917	+ 66.2
Mohawk Rubber Co.	4,413	8,229	+ 86.5
Seiberling Rubber Co.	16,303	24,342	+ 49.3
Lee Rubber & Tire Corp. (a)	20,783	29,910	+ 43.9
Cornhill Rubber Co.	2,572	3,612	+ 40.4

*Total assets exclude goodwill, copyrights, patents and trademarks.

(a) Fiscal year ends October 31.

(b) Fiscal year ends November 30.

(c) Fiscal year ends September 30.

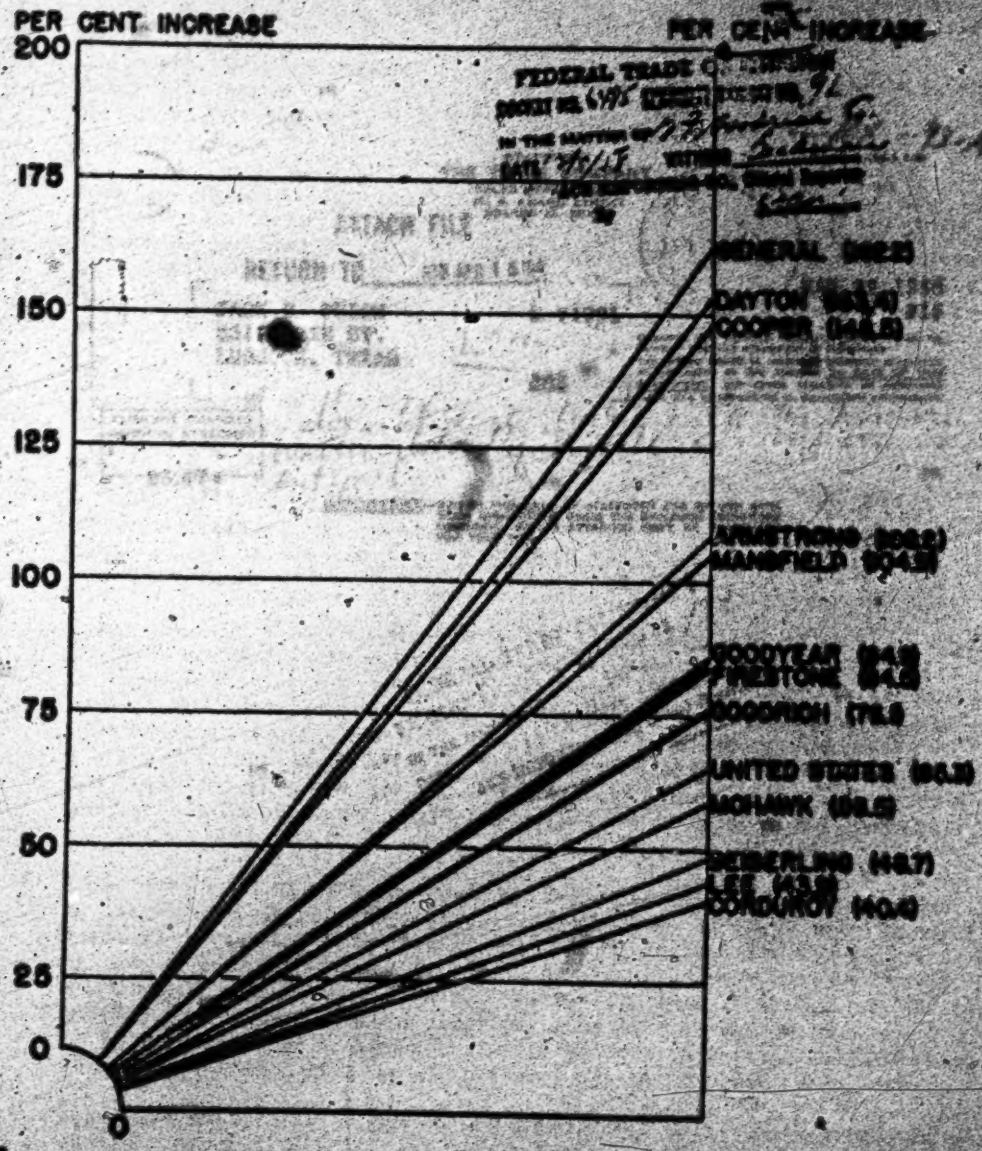
SOURCE: Basic data from Standard & Poor's Corporation, Standard Corporation Descriptions, 1956.

9136

JAX 670

Respondents' Exhibit 91

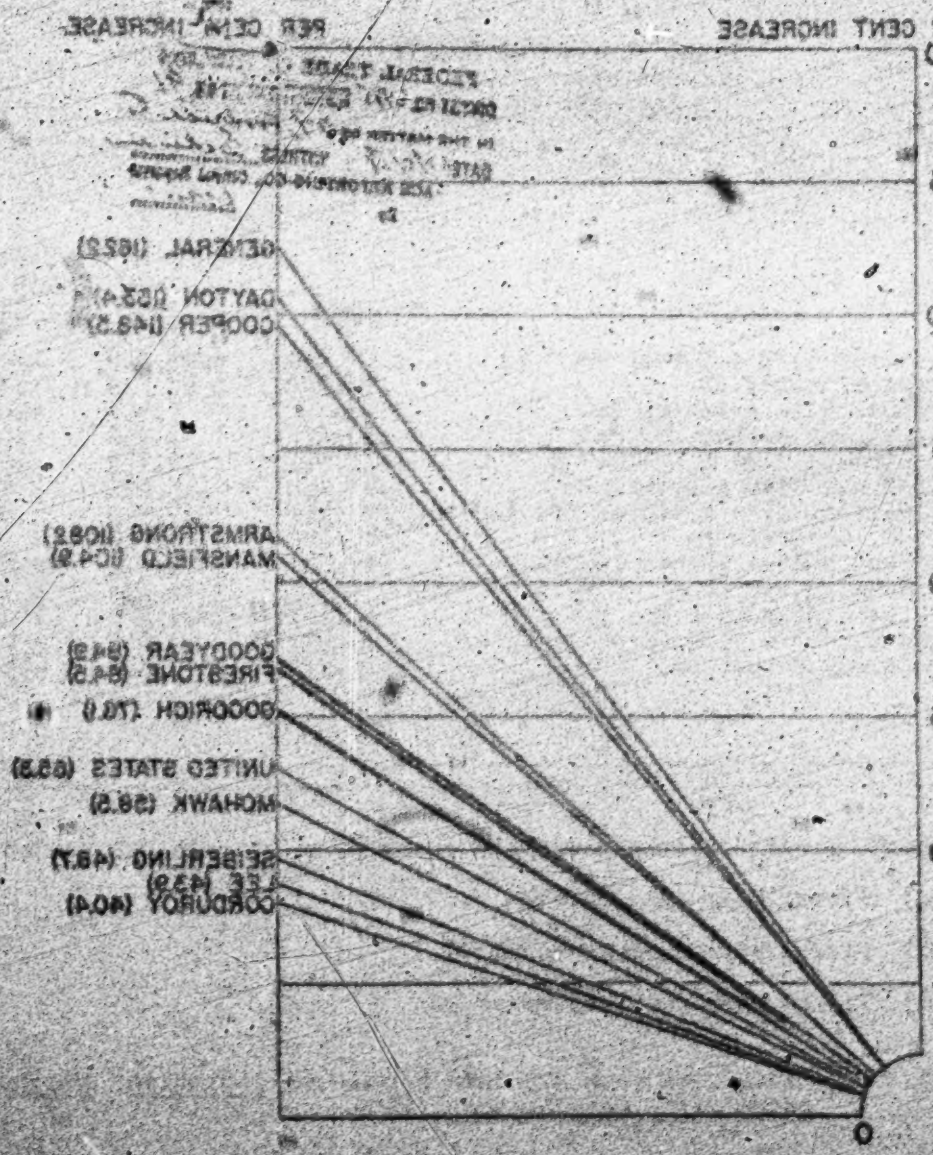
PERCENTAGE INCREASE IN TOTAL ASSETS, 1955 OVER 1948, FOR SPECIFIED TIRE AND RUBBER MANUFACTURERS



*TOTAL ASSETS EXCLUDE GOODWILL, COPYRIGHTS, PATENTS, AND TRADE MARKS.

9137

PERCENTAGE INCREASE IN TOTAL ASSETS, 1955 OVER 1948, FOR SPECIFIED TIRE AND RUBBER MANUFACTURERS



TOTAL ASSETS EXCLUDE GOODWILL, COPYRIGHTS, PATENTS, AND TRADE MARKS.

JAX 82

Respondents' Exhibit 82C

[redacted]

[redacted]

[redacted]

JAX ON

Mr. J. E. Payne
Assistant Division Manager
Sales Department
The Tyrex Company
Dallas 8, Texas

Dear Mr. Payne:

I realize now that what I did when I wrote the notation on the statement which was returned to you was unusual for me to do, however I feel that Mr. Johnson didn't treat me fairly at all and by wife and I both have quit trading with him.

What happened was this: In February I had a tire which I had to replace; I was thinking in terms of a new tire because I travel all the time. However, the young man waiting on me at Walter's told me that I would get the same service from a used or from a new tire - which I personally doubted, but Walter backed him up and said they would stand behind it and guarantee that I would get good service from it. I decided then if they were that good I'd try one because I had three other tire that had worn out on me and it would be a good time to compare the service. I took the tire with the understanding that they would guarantee it.

I ran the tire 2 weeks and part of the tread flung off of it, so I took it by there and left it - expecting a fair adjustment. When I went back to get my wheel and tire, I was told that the tire was only worn out and the mileage would be 27.50 on another tire. I am 5 ft. 10 I have been [illegible] for approximately 17.50 or 18.00. My tire had worn out approximately 3000 miles; I did roll the usual mileage, but the respective, I don't call a tire - and I can buy the same quality tire for less from [illegible] practically any service station so I felt that I had been [illegible] and I still feel that way.

I had been trading with Walter Johnson [illegible] and using my courtesy cards, my wife traded there although averaging 18.00 to 20.00 a month spending much a great deal, etc. I'm there 2 or 3 times, however personally [illegible] gotten big ideas and don't be believed with our [illegible] and we have dealt with him off and on for several years. We had two cars, I traded one car last week and the one we will be the [illegible] I've checked out on operating and handling in 15 years, but I've noticed in this business there is [illegible] when you [illegible] down from Walter's place on Jack Street and it is going every day.

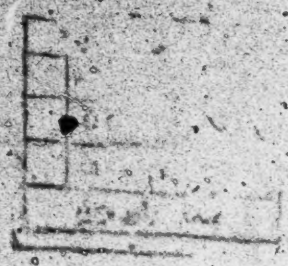
I realize that these things do not concern the Tyrex Company because you cannot control them and that is just as it should be. I personally hate that Walter wake up before it is too late making [illegible] and I will regret for him.

Sincerely yours,

P.S. 11

JAX 022

Respondent's Exhibit 22C



2312 - 27th Street
Lubbock, Texas
May 7, 1979

Mr. J. R. Payne
Assistant Division Manager
Sales Department
The Texas Company
Dallas 2, Texas

Dear Mr. Payne:

I realize now that what I did when I wrote the notation on the statement which was returned to you was unusual for me to do, however I feel that Mr. Isham didn't treat me fairly at all and my wife and I both have quit trading with him.

What happened was this: In February I had a tire which I had to replace; I was thinking in terms of a new tire because I travel 2[illegible] the time. However the young man waiting on me at Walter's told me that I would get the same service from a recap as from a new tire - which I seriously doubted, but Walter backed him up and said they would stand behind it and guarantee that I would get good service from it. I decided then if they were that good I'd try one because I had three other new ones on the car and it would be a good time to compare the service. I took the tire with the understanding that they would guarantee it.

I ran the tire a season and part of the road along off-of-it, so I took it by there and left it - requesting a fair adjustment. When I went back to get my wheel and tire, I was told that the tire was half worn out and the allowance would be $7.80 on another recap - or on a new tire they would sell me one for approximately $7.00 or $8.00. The tire had been run approximately 6000 miles; I did realize the exact mileage, but I've forgotten. I didn't want a recap - and I can buy the same quality tire for less from a[illegible]one else, practically any service station; so I felt that I had been flim-flamed thoroughly and I still feel that way.

I had been trading with Walter Isham paying cash and using my courtesy cards, my wife traded there altogether, averaging $40.00 to $50.00 a month counting we & grease jobs, etc. I'm through now though, because apparently Walter has po[illegible]ly ideas and can't be bothered with an individual customer who has traded wi[illegible] him off and on for several years. We run two cars, I traded one off last wee[illegible] and the new one will be the first car I've started off on anything but Havoline in 15 years; but I've switched to Gulf because there is a station about two bl[illegible]ks from Walter's place on 34th street and it is pretty handy there.

I realize that these things do not concern the Texas Company because you expe[illegible] control them and that is just as it should be. I sincerely hope that Walter [illegible] wake up before it is too late somehow because I've always had a high regard [illegible] him.

Sincerely,

Jack E. Price

JAX 222

Respondents' Exhibit # 6

FEDERAL TRADE COMMISSION
DOCKET NO. 6-5

Howe, Idaho
March 29, 1938

Mr. I. H. Caldwell
The texas Company
P.O.Box 1278
Butte, Montana

Dear Mr. Caldwell:

I very greatly appreciate your letter in response to the letter I wrote you concerning a tire.

The brand name of the tire is U S Royal - Wet adwell

I feel that I am at approximately a $25.00 loss.

Thanking you again, I am

Sincerely yours,

Everett Olsen, Supt.
Howe School
Howe, Idaho

Everett Olsen

ps Am enclosing your letter for reference.

9142

Hove, Idaho
March 29, 1958

Mr. I. H. Caldwell
The Texas Company
P.O.Box 1278
Butte, Montana

Dear Mr. Caldwell:

I very greatly appreciate your letter in response to the letter I wrote you concerning a tire.

The brand name of the tire is U.S Royal - Tet ewwit

I feel that I am at approximately a $25.00 loss.

Thanking you again, I am

Sincerely yours,

Everett Adams, Prin.
Hove School
Hove, Idaho

Everett Adams

In accordance your letter for reference.

JAX 64
Respondents' Exhibit 2241

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS

SALES DEPARTMENT
WEST DIVISION
R. CALDWELL, JR., DIVISION MANAGER

AIR MAIL
SPECIAL DELIVERY

May 27, 1958

Mr. Everett L. Odoms, Principal
Howe School
Howe, Idaho

Dear Mr. Odoms:

Reference is made to previous correspondence concerning the 15 x 1800 tire which you purchased in the summer of 1957 from the G & N Auto Service in La Grande, Oregon.

We have a detailed report from our Seattle office, and based upon the information furnished, it appears the tire in question was a recap and dealer Woodell as advised you at the time of the sale. According to Mr. Woodell's records, the recap tire sold for $16.00, and he advised you there was no guarantee on a used recap tire.

Furthermore, Mr. Woodell stated he wrote to you and explained that he did not guarantee the tire and would be unable to make any adjustment.

It appears this sale was fully explained to you before the purchase, and it was handled in a businesslike manner.

We greatly appreciate your business and are sorry such an incident occurred.

Yours very truly,

THE TEXAS COMPANY

R. H. CALDWELL

RHC:EF

2113

Respondent's Exhibit 23H

THE TEXAS COMPANY

Mr. Everett L. Odom, President
Boise School
Boise, Idaho

Dear Mr. Odom:

Reference is made to presenting notwithstanding contracting the 15 x 1000 tire which you purchased in the summer of 1937 from the C & M Auto Service in La Grande, Oregon.

We have a detailed report from our Seattle office, and based upon the information furnished, it appears the tire in question was a recap and dealer looked to advised you at the time of the sale. According to Mr. Goodyear's records the recap tire sold for $15.00, and he advised you there was no warranty on a used recap tire.

Furthermore, Mr. Goodyear stated he wrote to you and explained that as old not guarantee the tire and would be unable to make any adjustment.

It appears this also was fully explained to you before the purchase, and it was handled in a satisfactory manner.

We greatly appreciate your business and are sorry such an incident occurred.

Yours very truly,

THE TEXAS COMPANY

M. H. CALDWELL

MHCAAR

FAX 001

Respondents' Exhibit 97A

TBA Newsletter

N E W Y O R K D I V I S I O N

New York 17, N.Y., July 1, 1952

FEDERAL TRADE COMMISSION
DOCKET NO. 4774
IN THE MATTER OF
DATE 1/1/53
RECEIVED

IMPORTANT NEWS

FIRESTONE TO MARKET NEW DRI-CHARGED BATTERY EARLY THIS FALL.

To give you complete data regarding this new revolutionary unit, we show below questions and answers covering its amazing story - READ CAREFULLY.

1. Q - What is the Firestone Dri-Charged Battery?

   A - A Firestone Dri-Charged Battery is a revolutionary new storage battery for cars, trucks, tractors and for all applications in connection with the starting and operation of combustion engines.

2. Q - What is new about the Firestone Dri-Charged battery?

   A - The new battery is (1) a "dry" battery when it is manufactured, when it is shipped, and when it is delivered to the retailer's shop; (2) the new battery is "born" the moment the acid is added just a few minutes before it is placed in the consumer's car ---the first day in the life of the new Firestone Dri-Charged battery is used in the operation of the vehicle.

   (Up to this time, the life of modern storage batteries began at the factory. The acid in the batteries began its attack on the plates before the new batteries left the manufacturers. The life continued to seep out of the batteries in warehouses and in the hands of dealers where they often remained on shelves for months before actual sale.)

3. Q - How is it possible to manufacture the new Dri-Charged battery?

   A - The development of (1) a new glass (diatomaceous-earth-fiberglass composition) separator and (2) a bottle (polyethylene plastic) that is impervious to acid and a container for the indefinite holding and storage of acid, make the new battery possible. The Dri-Charged accumulators stay at top strength until acid is added--for months and even years. The new acid containers, shipped separately to dealers, will hold the acid at full strength indefinitely.

JAN 6'38

Respondent's Exhibit 97A

TBA Newsletter

N E W Y O R K D I V I S I O N

New York 17, N.Y., July 1, 1952

IMPORTANT NEWS

FIRESTONE TO MARKET NEW DRY-CHARGED BATTERY EARLY THIS FALL.

To give you complete data regarding this new revolutionary unit, we show below questions and answers covering its amazing story - READ CAREFULLY!

1. Q - What is the Firestone Dry-Charged Battery?

A - A Firestone Dry-Charged Battery is a revolutionary new storage battery for cars, trucks, tractors and for all applications in connection with the starting and operation of combustion engines.

2. Q - What is new about the Firestone Dry-Charged battery?

A - The new battery is (1) a "dry" battery when it is manufactured, when it is shipped, and when it is delivered to the retailer's shop; (2) the new battery is "born" the moment the acid is added just a few minutes before it is placed in the customer's car ---the first day in the life of the new Firestone Dry-Charged battery is used in the operation of the vehicle.

(Up to this time, the life of modern storage batteries began at the factory. The acid in the batteries began its attack on the plates before the new batteries left the manufacturers. The life continued to seep out of the batteries in warehouses and in the hands of dealers where they often remained on shelves for months before actual sale.)

3. Q - How is it possible to manufacture the new Dry-Charged battery?

A - The development of (1) a new glass (diatomaceous-earth-fiberglass composition) separator and (2) a bottle (polyethylene plastic) that is impervious to acid and a container for the indefinite holding and storage of acid, make the new battery possible. The Dry-Charged separators stay at top strength until acid is added--for months and even years. The new acid containers, shipped separately to dealers, will hold the acid at full strength indefinitely.

JAX 6[illegible]

Respondents' Exhibit 97B

FEDERAL TRADE COMMISSION
EXHIBIT [illegible]

-2-

4. Q - Will the Dri-Charged battery perform the same as an ordinary battery after being put into service?

A - After acid is added to a Dri-Charged battery it operates in exactly the same manner as a wet battery. However, since it is absolutely fresh and has the new type separator, the life is greater than the ordinary battery.

5. Q - Will the Dri-Charged battery require the addition of distilled water as frequently as a regular battery?

A - The amount of water that must be added to any battery in service is dependent only on the amount of charge which the battery receives. There is no difference in operation of the new Dri-Charged battery after acid has been added.

6. Q - Will the Dri-Charged battery with special processed plates deteriorate as quickly from lack of water as the present battery?

A - After the Dri-Charged battery is put into service, it operates in the same manner as a wet charged battery and, therefore, may be damaged by failure to add water when necessary, the same as a wet battery.

7. Q - Will the Dri-Charged battery last as long as the ordinary battery?

A - The Firestone Dri-Charged battery will last longer than the ordinary battery. All Dri-Charged batteries are guaranteed for three months longer than the ordinary battery. All of the life built into the Dri-Charged battery is used by the consumer.

8. Q - How much more will a Dri-Charged battery cost?

A - Since Dri-Charged batteries will last longer than ordinary batteries and have a three months' longer guarantee, the cost per month of service is less than the ordinary battery.

CUSTOMER COST PER MONTH COMPARISON

Type	List	Dry Charged C/P Month	Serv. Units	List	Wet Charged C/P Month	Serv. Units
SF171	$29.45	$ .89	33	$27.95	$ .93	30
SF192	33.00	1.00	33	31.50	1.05	30
SF192D	34.75	1.05	33	33.25	1.11	30
LD171	22.75	1.08	21	21.25	1.18	18
LD172	26.25	1.25	21	24.75	1.37	18
LD172D	27.00	1.28	21	25.50	1.41	18
LD172F	26.00	1.24	21	24.50	1.36	18
LD192L	26.75	1.27	21	25.25	1.40	18

9259

7.69

-2-

4. Q - Will the Dri-Charged battery perform the same as an ordinary battery after being put into service?

A - After acid is added to a Dri-Charged battery it operates in exactly the same manner as a wet battery. However, since it is absolutely fresh and has the new type separator, its life is greater than the ordinary battery.

5. Q - Will the Dri-Charged battery require the addition of distilled water as frequently as a regular battery?

A - The amount of water that must be added to any battery in service is dependent only on the amount of charge which the battery receives. There is no difference in operation of the new Dri-Charged battery after acid has been added.

6. Q - Will the Dri-Charged battery with special processed plates deteriorate as quickly from lack of water as the present battery?

A - After the Dri-Charged battery is put into service, it operates in the same manner as a wet charged battery and, therefore, may be damaged by failure to add water when necessary, the same as a wet battery.

7. Q - Will the Dri-Charged battery last as long as the ordinary battery?

A - The Firestone Dri-Charged battery will last longer than the ordinary battery. All Dri-Charged batteries are guaranteed for three months longer than the ordinary battery. All of the life built into the Dri-Charged battery is used by the consumer.

8. Q - How much more will a Dri-Charged battery cost?

A - Since Dri-Charged batteries will last longer than ordinary batteries and have a three months' longer guarantee, the cost per month of service is less than the ordinary battery.

CUSTOMER COST PER MONTH COMPARISON

Type	List	Dry Charged 27 Month	Serv. Units	Wet Charged List	Wet Charged 27 Month	Serv. Units
SF171	$29.15	$ .89	33	$27.95	$ .93	30
SF192	33.00	1.00	33	33.00	1.09	30
SF192D	34.75	1.05	33	33.25	1.11	30
LD151	22.75	1.02	21	21.25	1.18	18
LD172	26.25	1.25	21	26.75	1.27	18
LD172D	27.00	1.28	21	25.50	1.21	18
LD172F	26.00	1.24	21	24.50	1.16	18
LD192L	26.75	1.27	21	25.25	1.20	18

JAX ET
Respondents' Exhibit No.

FEDERAL TRADE COMMISSION

-3-

Group #1	Cost Per Month Dry	Wet	Group #2	Cost Per Month Dry	Wet
SP171	$ .86	$ .93	SP192	$1.00	$1.05
LD151	1.08	1.18	LD172	1.25	1.37

Sincerely, J. Ki Frantil
L. K. Zerrahn
L. M. Monroe
L. O. Herrea

Gentlemen:

In another letter today we advised two of Respondents' [illegible] Hosing Co., the Stallings Plan, and J. F. Goodrich Co. have now announced their dealer program to take effect at the same time.

Every of the program has been called by Goodrich to all of our [illegible] dealers first for action so they can [illegible] thoroughly [illegible] with all details and get the information on the field organizations. All Goodrich District personnel have been alerted and will contact every dealer for [illegible] and take required [illegible].

The 1937 Goodrich contains some new features on value protection which should be of very attractive to dealers. The elimination of uncertainty [illegible] provides [illegible] of value [illegible] provides [illegible] practical [illegible] amounts [illegible] to [illegible] [illegible].

Please [illegible] your [illegible] to [illegible] with Goodrich in [illegible] the [illegible] of this plan to all dealers.

Yours very truly,

[illegible]

8220

Group #1	Coat Per Pound		Group #2	Cost Per Pound	
	Dry	Wet		Dry	Wet
BF171	$ .89	$ .93	SP192	$1.00	$1.05
LD151	1.08	1.18	LD172	1.25	1.37

[illegible]

[illegible]

New York, N. Y., December 1, 1953

[illegible]

Messrs. J. K. Pannill
L. F. Raymond
D. E. Monroe
I. S. Morgan

Gentlemen:

In another letter today we advise you of Firestone's 1954 Spring Latin Tire Billing Plan, and B. F. Goodrich have now announced their Latin program to take effect at the same time.

A copy of the report has been mailed by Goodrich to all of our Representatives (the Promotion) so they can become thoroughly familiar with all details and pass the information on to the field organization. All Goodrich district personnel have been alerted and will canvass every dealer for their tire and tube requirements.

The 1954 Program contains some new features on price protection which should make it very attractive to dealers. The elimination of uncertainty regarding possible loss on account of price decreases or special price protection events should encourage dealers to place ample dating orders now.

Please ask your Divisions to cooperate with Goodrich in bringing the advantages of this plan to all dealers.

Yours very truly,

A. L. GARRETT, JR.

WHsKoD

LWKmD

cc: Kalecta - Mitchell - Preiser - McGurdock

Dealer Service Representatives - Michigan

[illegible]

[illegible]

MAX Inc.

Recorders Exhibit #6

New York, N.Y., December 1, 1973

[illegible]

Gentlemen:

In another letter today we enclosed two of Firestone's high fusing point fire foilint vitn, and D.C. Goodrich have now announced their intention to take effect at the same time.

A copy of the report has been mailed by Goodrich to all of our customers (and presumed so they can process incomplete fusing with all details are-just the later action on to the field or production. All Goodrich factors presumed have been alerted and will receive every order for their tire and tube requirements.

For both brands concerning some new features on prior protection which are old and is very disappointing to dealers. The situation of unavailable products - possibly idle or nonuse of tube company or related other production events should encourage dealers to place a big order ordere.

Please pay your invoices to accounts with Goodrich in helping the [illegible] of this item to all dealers.

Yours very truly,

[illegible]

JAX 4W

Respondents' Exhibit 100

THE TEXAS COMPANY New York 17, N.Y., January 26, 1954

T.B.A. PROGRAM
B. F. GOODRICH
1954 MERCHANDISING PROGRAM
TEXACO STATIONS

FEDERAL TRADE COMMISSION
DOCKET NO. 6760
IN THE MATTER OF
DATE
ACE REPORTING CO.
BY

To: Zone Managers
Merchandising Salesmen
General Salesmen

Gentlemen:

The B. F. Goodrich Company recently announced what we believe to be the most outstanding dealer promotional program ever put forth by any tire company.

Included in the program are some really effective direct mail pieces, attractive display material, individual service station objectives and prizes.

Complete details of this program will be explained by the Goodrich salesman or supply point representative.

Your help and cooperation is going to be necessary, and I am asking each of you to put your shoulder to the wheel so that each of your dealers may not only do a better T.B.A. job but also increase their petroleum sales.

Yours very truly,

R. L. SAUNDERS, JR.

LVK:MD

cc: L.Lewis - RHMarshall - J.Breiner - RCMurdoch

Dealer Service Representatives - RWWilson

9063

- 72 -

Respondent's Exhibit 100

THE TEXAS COMPANY New York 17, N.Y., January 26, 1951

T.G.&A. PROGRAM
B. F. GOODRICH
1951 MERCHANDISING PROGRAM
TEX.CO STATIONS

To: Zone Managers
Merchandising Salesmen
General Salesmen

Gentlemen:

The B. F. Goodrich Company recently announced that we believe to be the most outstanding dealer promotional program ever put forth by any tire company.

Included in the program are some really effective direct mail pieces, attractive display material, individual service station objectives and prizes.

Complete details of this program will be explained by the Goodrich salesman or supply point representative.

Your help and cooperation is going to be necessary, and I am asking each of you to put your shoulder to the wheel so that each of your dealers may not only go a better T.G.&A. job but also increase their petroleum sales.

Yours very truly,

R. L. SAUNDERS, JR.

LVK:MD

cc: Jakeway - McKinnell - Wright - McMurdock
Dealer Service Representatives - Williams

JAX 601

JAX 600 Respondents' Exhibit 101B

Respondents' Exhibit 101A

101-B

PUROLATOR PRODUCTS, INC.

MANUFACTURERS OF FILTERS

TELEPHONE
TRITON 8-7000
CABLE ADDRESS
MOTORINK

October 27th,
1956

Mr. H. Wolfe,
Texas Oil Company,
Chrysler Building,
New York, New York.

Dear Norris:

I thought you would be interested in seeing a copy of the winners in our Purolator Seal of Protection Campaign, which we finished a couple of months ago. All of the winners got a $25.00 War Bond for their efforts in helping to sell more filters.

Yours very truly,
PUROLATOR PRODUCTS, INC.

James B. Lightbown
General Sales Manager
After-Market Division

Harry Bang
Sherwood, Ore.

John H. Glaser, Jr.
Sherwood, Ore.

Robert Vaughn Bartholomew
Elgin, Ill.

Paul Tuve
Syracuse, N.Y.

Jack R. Cheek
Kingston, N.Y.

Ira E. Wolfe
Los Angeles 8, Calif.

Alton H. Atkinson
Morrilton, Ark.

Maurice G. Hollenbeck
Madison, Wisc.

Robert E. Burchfield
Bayless, Ark.

Verne B. Anderson
Denver 20, Colo.

Dorothy J. Lawrence
Milan City, Mo.

Richard Joseph Zakrzewski
Kalamazoo, Mich.

John Barbiari, Jr.
Derby, Conn.

Raymond E. or
M. Lucille Whitaker
Hazen, Idaho

Texaco Oil Company
Donald M. Day
Lawrence Lindsay Nestrom
David M. Reigg
Hackettstown, N.J.

Thomas Albert Fallon
Milwaukee, Wisc.

Dale Rupert Davis
Cherry Valley, Ill.

Alfonso C. Colangelo or
Henry F. Colangelo
Morris, Pa.

Raphael Shaler
Paterson, N.J.

Herbert T. Hollebaugh
Ashland, Tenn.

Wilbur G. Stucki
Jacksonville, Ill.

Steven Andrew Mazur
Scranton, Pa.

Don A. King
Austin 3, Texas

Alfred E. Beer
Cincinnati 27, Ohio

Joseph M. Papiccillo
New Rochelle, N.Y.

Walter C. Chambers
Youngstown 12, Ohio

Willis Harding Brolliard
Jacksonville 6, Michigan

Michael Opalenik, Jr.
Holyoke, Mass.

William Douglas

FINANCIAL TRADE COMMISSION
EXHIBIT NO. 101-B
IN THE MATTER OF
DATE 1/7/57
ACCOUNTING CO.
By

9265

0031

JAX 4ab

Respondents' Exhibit 101A

PURO-LATOR PRODUCTS, INC.

MANUFACTURERS OF FILTERS

October 27th,
1958

Mr. M. Wolfe,
Texas Oil Company,
Chrysler Building,
New York, New York.

Dear Martin:

I thought you would be interested in seeing a copy of the winners in our Purolator Bowl of Prosperity Campaign, which we finished a couple of months ago. All of the winners got a $25.00 War Bond for their efforts in helping to sell more filters.

Yours very truly,
PUROLATOR PRODUCTS, INC.

Jason B. Lightbown
General Sales Manager
After Market Division

JBL:
M
J

101-B

Respondents' Exhibit 102A

TEXACO OIL COMPANY

FEDERAL TRADE COMMISSION
DOCKET NO. 4455 RESPONDENT EXHIBIT NO. 101B

Harry Baum
Brooklyn, N.Y.

John H. Glaser, Sr.
Brentwood 17, Mo.

James Iandolo
Paterson, N.J.

Robert Warren Bartholomew
Elgin, Ill.

Paul Tura
Syracuse, N.Y.

John R. Cocco
Kingston, N.Y.

Sydney Hardley Smith
Washington, D.C.

Kenneth H. Bostock
Mankato, Minn.

George Fukushima
Los Angeles 6, Calif.

Peter Sailer
Plains, Pa.

Gerald J. Anderson, Sr.
Tucson, Ariz.

Alton H. Atkinson
Morrilton, Ark.

Charles G. McCaughey
Madison, Wisc.

Robert E. Bartfeld
Colete, Albourn

Verne E. Anderson
Denver 22, Colo.

Everett J. Lawrence
Gilman City, Mo.

Richard Joseph Zakrzewski
Kalamazoo, Mich.

John Bartlett, Jr.
Derby, Conn.

Raymond F. Or
W. Lucille Saltzer
Buhl, Idaho

Donald N. Ray
Hardwick, Vermont

Lawrence Lindsey Western
Pueblo, Colo.

Edwin M. Briggs
Montclair, N.J.

Bob B. Cheriant
Kosciusko, Miss.

Thomas Albert Ascher
Robbinsdale, Minn.

Dale Arthur Davis
Omaha 3, Nebr.

Alfonso C. Colangelo or
Henry J. Colangelo
Marion, Pa.

Raphael Thaler
Paterson, N.J.

Luther T. Gallisbough
Amarillo, Tex.

James Fedler
Verona, N.J.

James Paris Throckmorton
Richmond, Va.

Vincent Kimbrough
Ashland, Penna.

Wilbur R. Stocks
Rockford, Ill.

David Henry Wilson, Sr.
Roxbury, N.C.

Steven Anthony Mater
Roselle, N.J.

Ben A. King
Martin, Tenn.

Alfred W. Bear
Beaumont, Texas

Joseph M. Tarantino
New Rochelle, N.Y.

Hatten H. Sanders
Youngstown 12, Ohio

Willis Harding Brailsford
Dearborn 6, Michigan

Michael Cpalenik, Jr.
Fairview, Mass.

George Allen Douglas
Teaneck, N.J.

Aaron Sanders
Austin 2, Texas

Jack Bayer
Brooklyn, N.Y.

Philip Cagliostri
Lodgers, N.Y.

August 20, 1948.

Mr. Louis M. Faber
Gasoline Dealer
512 North 16th Street
Milwaukee, Wisconsin

Dear Sir:

When I saw you last I saw you and talked to you about the policy of The Texas Company with respect to the [illegible] stories through [illegible] conversations and stated that you had in an adverse nature was in connection with the Don [illegible] Service Station at 60th and [illegible], Wisconsin.

We have a definitely established policy in our Company which prohibits the granting of influence or pressure with respect to his purchases of TCA merchandise. I was [illegible] with this report and to investigate it immediately. This was done and for your information [illegible] my findings.

Our Representative in charge of the Milwaukee area, is one of [illegible] reputable men and in [illegible] policies thoroughly. I found, as you [illegible] Mr. O'Connell [illegible] selling Great Northern [illegible] time and further that he still sells them. In discussing accessories [illegible] representative undoubtedly [illegible] to Mr. O'Connell, as he might to any other Texaco dealer, that [illegible] be more profitable [illegible] some national [illegible] brands of accessories, and in this case [illegible] that Mr. O'Connell [illegible] the matter with [illegible]

6. Chi.
2. Nor.
3. Minn.
2. N.Y.
2. N.C.
2. Atl.
3. Sen.
Bro.
1. Buffalo
1. Dallas
Phoenix
Dal.
Texas
Sec. Gen.

3265

(JAX 542 continued on next page)

JAN 611

Respondents' Exhibit 1018

TEXACO OIL COMPANY

Harry Bass
Brooklyn, N.Y.

John H. Glover, Jr.
Brentwood 17, Mo.

James Lendelo
Veterans, N.J.

Robert Warren Hartshorn
Elgin, Ill.

Paul Yuro
Syracuse, N.Y.

John H. Gasse
Kingston, N.Y.

Sydney Faulkey Smith
Washington, D.C.

Kenneth M. Peacock
Memphis, Mich.

George Fundatus
Los Angeles 6, Calif.

Peter Sellar
Fields, Va.

Gerald J. Anderson, Jr.
Tucson, Ariz.

Alton E. Atkinson
Harrisburg, Ark.

Charles G. McCaughey
Madison, Wis.

Robert E. Burchfield
Calera, Ala.

Verne E. Anderson
Denver 20, Colo.

Everett J. Lawrence
Ottumwa City, Mo.

Richard Joseph Zakrzewski
Kalamazoo, Mich.

John Gardiner, Jr.
Derby, Conn.

Raymond H. Or
V. Lucille Bateman
Boise, Idaho

Donald N. Jay
Barrville, Vermont

Lawrence Lindsey Weaver
Pueblo, Colo.

Edwin M. Bridge
Montclair, N.J.

Bob E. Durham
Rosebudo, Ohio.

Thomas Albert Amber
Robinsdale, Minn.

Dale Albert Davis
Omaha 3, Nebr.

Alfredo C. Colangelo or
Henry J. Colangelo
Boston, Ma.

Robert Thaler
Paterson, N.J.

Walter E. Hollabaugh
Amarillo, Tex.

James Fraiar
Verona, N.J.

James Paris Throckmorton
Richmond, Va.

Vincent Sinkevich
Ashland, Penna.

Milner G. Brooks
Bainbridge, Ill.

Davis Leroy Milam, Jr.
Newberry, S.C.

Steven Andrew Hauer
Scottsa, N.Y.

Ben A. King
Austin 1, Texas

Alfred E. Herr
Cincinnati 23, Ohio

Joseph N. Ingrassia
New Rochelle, N.Y.

Walter C. Cumbers
Youngstown 13, Ohio

Donald Harding Brolaforce
Pembroke 6, Michigan

Michael Opalenik, Jr.
Fairview, Mass.

George Allen Douglas
Teaneck, N.J.

Aaron Sanders
Austin 8, Texas

Jack Fagyr
Brooklyn, N.Y.

Philip Gaglardi
Lockport, N. Y.

9905

Respondents' Exhibit 102A

(9266)

August 20, 1948.

Mr. Louis M. Faber
Retail Gasoline Dealers Association
519 North 16th Street
Milwaukee, Wisconsin

Dear Lou:

When last I saw you in Washington you discussed with me the policy of The Texas Company with respect to the sale of accessories through service stations and stated that the only report you had of an adverse nature was in connection with the Don O'Connell Service Station at 60th and Vleit, Wauwatosa, Wisconsin.

Because we have a definitely established policy in our Company which prohibits the exerting of influence or pressure on any dealer with respect to his purchases of TBA merchandise, I was rather concerned with this report and determined to investigate it immediately. This was done and for your information I give you my findings:

Our Representative in charge of the Milwaukee area, Mr. Blackburn, is one of our most dependable men and understands our policies thoroughly. I found, as you indicated, that Mr. O'Connell had been selling Great Northern batteries for some time and further that he still sells them. In discussing accessory sales our Representative undoubtedly pointed out to Mr. O'Connell, as he might to any other Texaco dealer, that his business might be more profitable if he handled some nationally advertised brands of accessories, and in this case we are advised that Mr. O'Connell called in the Firestone salesman to discuss the matter with

(JAX 642 *continued on next page*)

JAZ 642

Respondents' Exhibit 102A

(Copy)

August 20, 1948.

Mr. Louis M. Fisher
Burial Gasoline Dealers Association
610 North 16th Street
Milwaukee, Wisconsin

Dear Lou:

Which had I saw you in Washington you discussed with me the policy of Sun Ray Oil Company with respect to the sale of gasoline through service stations and stated that you had report on hand of an adverse nature, was in conference with the Dept. of Consumer Service stations at 60th and Hawthorne.

Because we have a definite established policy in our company which prohibits the operation of stations on price, on any basis, I was really concerned with this report and instructed my investigate it immediately. This was done and information I give you my finding:

Our representative in charge of the Milwaukee area, Mr. Blackburn, is one of our most dependable men and un-doubtedly our problem there only. I found, as you indicated, that Mr. O'Connell had been selling Great Northern batteries for some time and further that he still sells them. In discussing necessary steps our representative undoubtedly pointed out to Mr. O'Connell as he might to any other Sunoco dealer, that his business might be more profitable if he handled some nationally advertised brands of accessories, and in this case we are advised that Mr. O'Connell called in the Firestone salesman to discuss the matter with

(JAZ 643 continued on next page)

him. Our people did not indicate in any way that the handling of Firestone merchandise or any other kind of merchandise had any bearing on Mr. O'Connell's contractual or lease agreements with us. I further learn that as a result of an agreement between Mr. O'Connell and Firestone he enjoys a very favorable price on Firestone batteries and that he is well pleased with his arrangement.

Early this spring The Texas Company made some improvements at this service station including new fluorescent lighting and a complete set of counters in the salesroom for the purpose of displaying automobile accessories. Several lines of TBA merchandise are on display and a casual review shows Gates fan belts, Dole thermostats, Durkee inner radiator cleaner, Zecol polish, Richardson fishing rods and a number of other items, which would hardly indicate that Mr. O'Connell is anywhere near 100% Firestone or 100% anything else.

Respondents' Exhibit 102B

(9267)

Incidentally I understand that the Firestone sales organization have been pursuing a very vigorous sales drive in the Milwaukee area, but there has been no connection in this work between the Firestone organization and The Texas Company. Frankly, we being a nationwide Company ourselves, and advertising our products on a national basis, feel there is some advantage to Texaco dealers handling accessories that are likewise nationally advertised, but we have neither the right nor the desire to dictate in any way what brands a Texaco dealer shall handle. We believe that he will increase his profits by handling tires, tubes and accessories and we encourage him in this. Our men may suggest certain brands of accessories to handle, but if a man goes beyond a suggestion or if he uses pressure or threats to have his suggestion followed he is liable to immediate dismissal from our service.

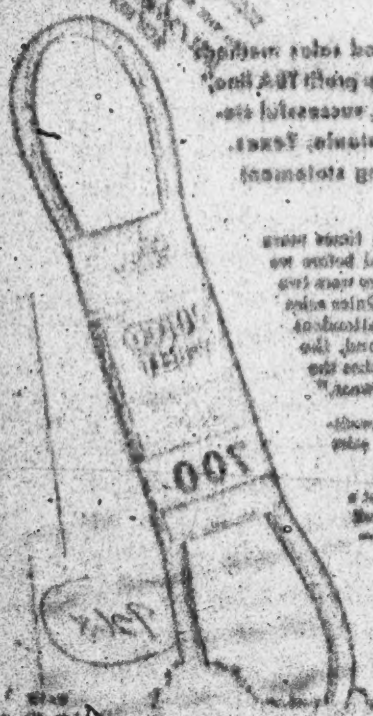
We have not discussed this complaint with Mr. O'Connell because I felt you would not want it so, but I suggest that you ought to know our Mr. Blackburn who would, I am sure, be very happy to discuss our general policy with you and talk about any specific cases you have in mind.

I know that you have a very friendly feeling for The Texas Company and because you were interested enough to report this case to me I thought you would like to know what my investigation developed. We want to be fair with our dealers at all times and if on occasion a misunderstanding exists we want to know about it. For that reason I appreciate your talking to me on this matter.

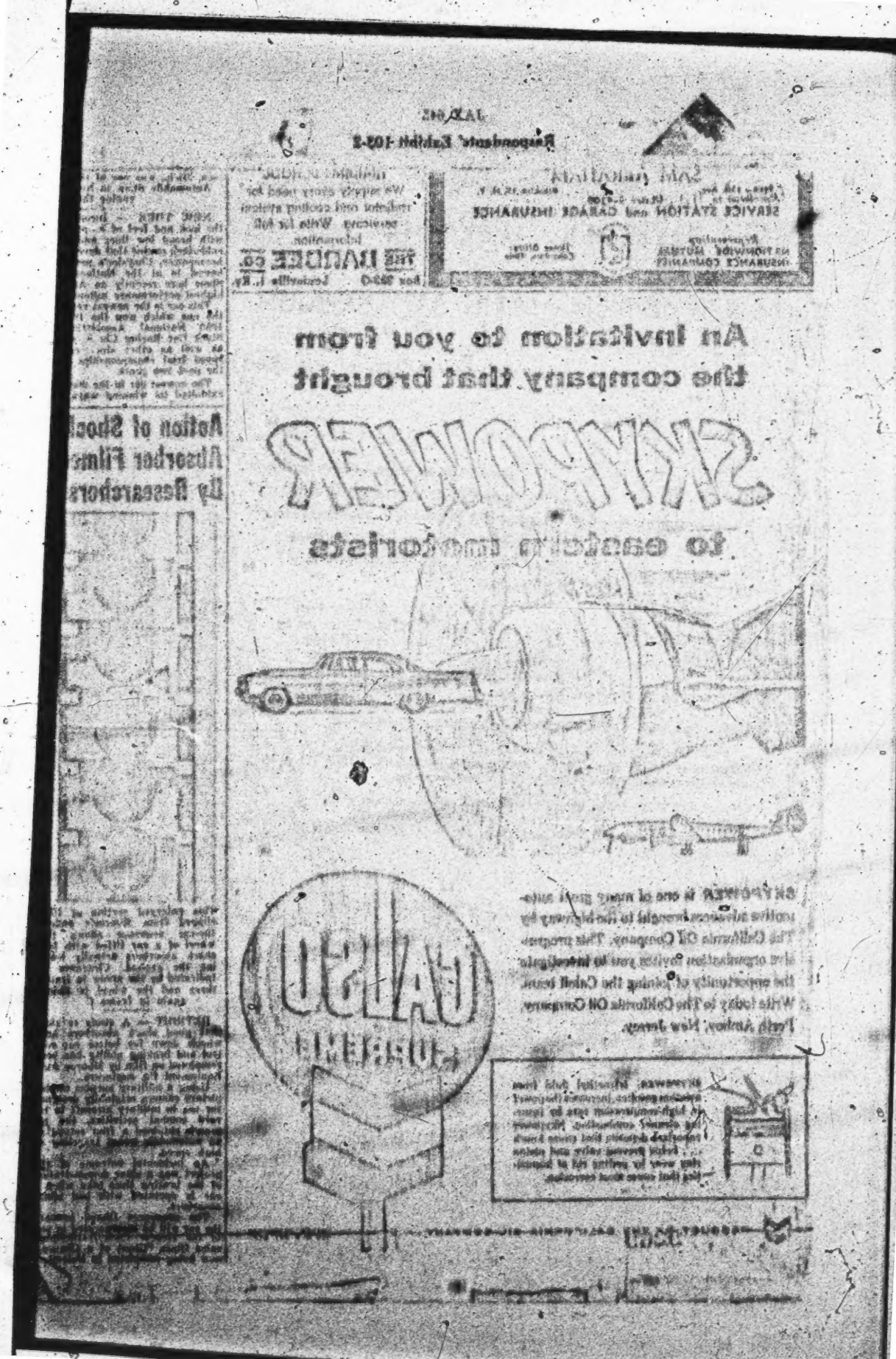
Sincerely yours,

Signed: WALTER HOCHULI

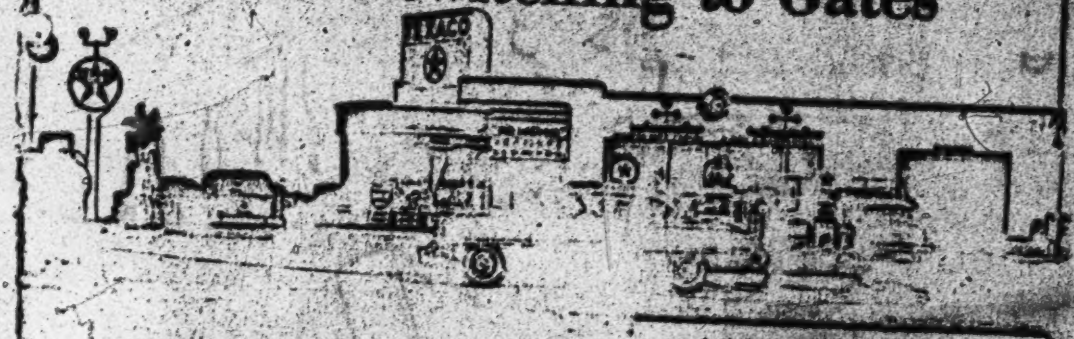
WH—FD
SCB-PHS-AGH (Blind)

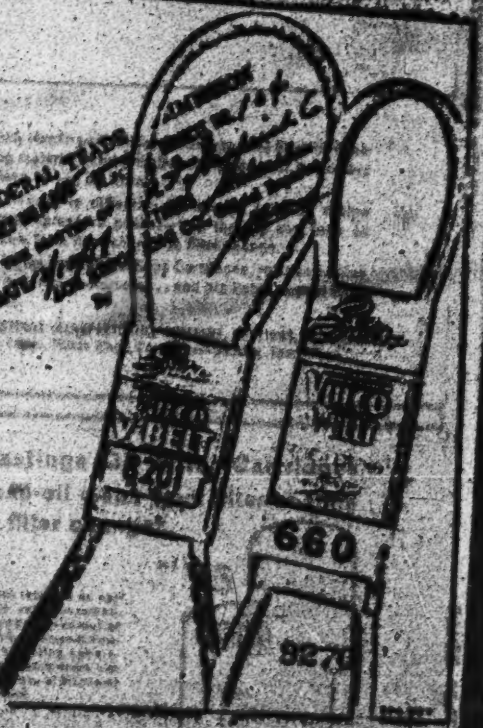

200


An invitation to you from
the company that brought
SKYPOWER
to eastern motorists
GULF
SUPREME


An invitation to you from
the company that brought
SKYPOWER
to gasoline motorists
GALSO
GASOLINE

"Our V-belt sales soared after switching to Gates"





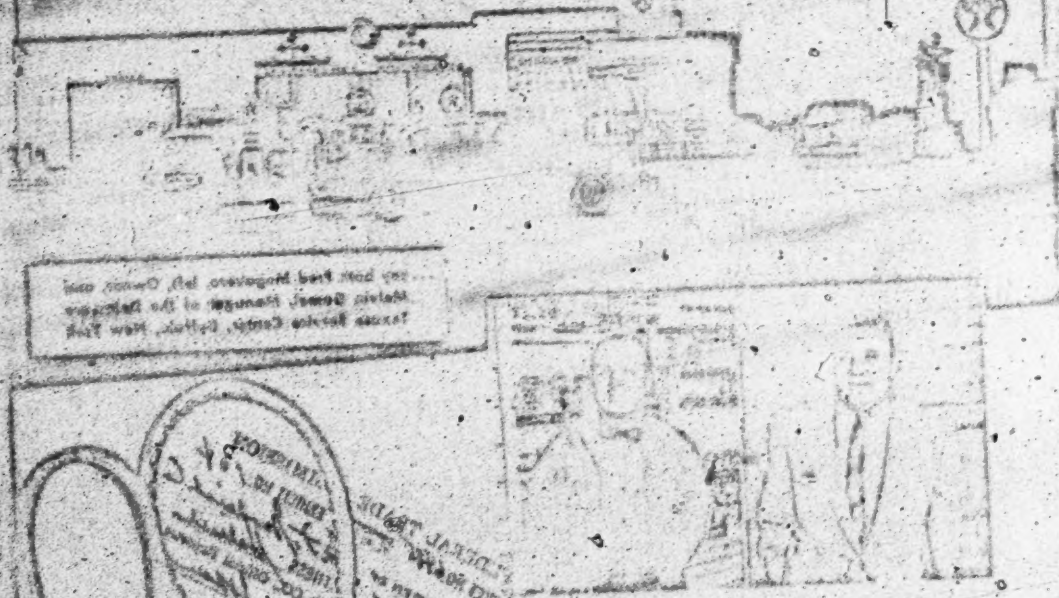
The Gates Rubber Co., Denver, Colorado

Gates Vulco V-Belts

JAX 618

Respondents' Exhibit 1041

"Our V-belt sales soared after switching to Gates"



... say Bert Bingaman, left, Owner, and Melvin Gerard, Manager of the Bingaman Texaco Service Center, Buffalo, New York

"Believe we switched to Gates two years ago, we were struggling about a fair sales a month. Now, thanks to Gates sales tools and ability-related methods, we sell as many as 125 V-belts in a month.

"And what's more," they continue, "Gates merchandising methods have brought us plenty about high profits, far inventory, and satisfied customers."

Gates station-tested methods can help you, too ... to get a greater turnover on V-belts ... to make more money ... without labor to customers ... without slowing down service time.

Changing over to the top-profit Gates line is easy, and you won't lose a penny on your present stock. Simply call your nearby Gates jobber, and he'll make the switch promptly.

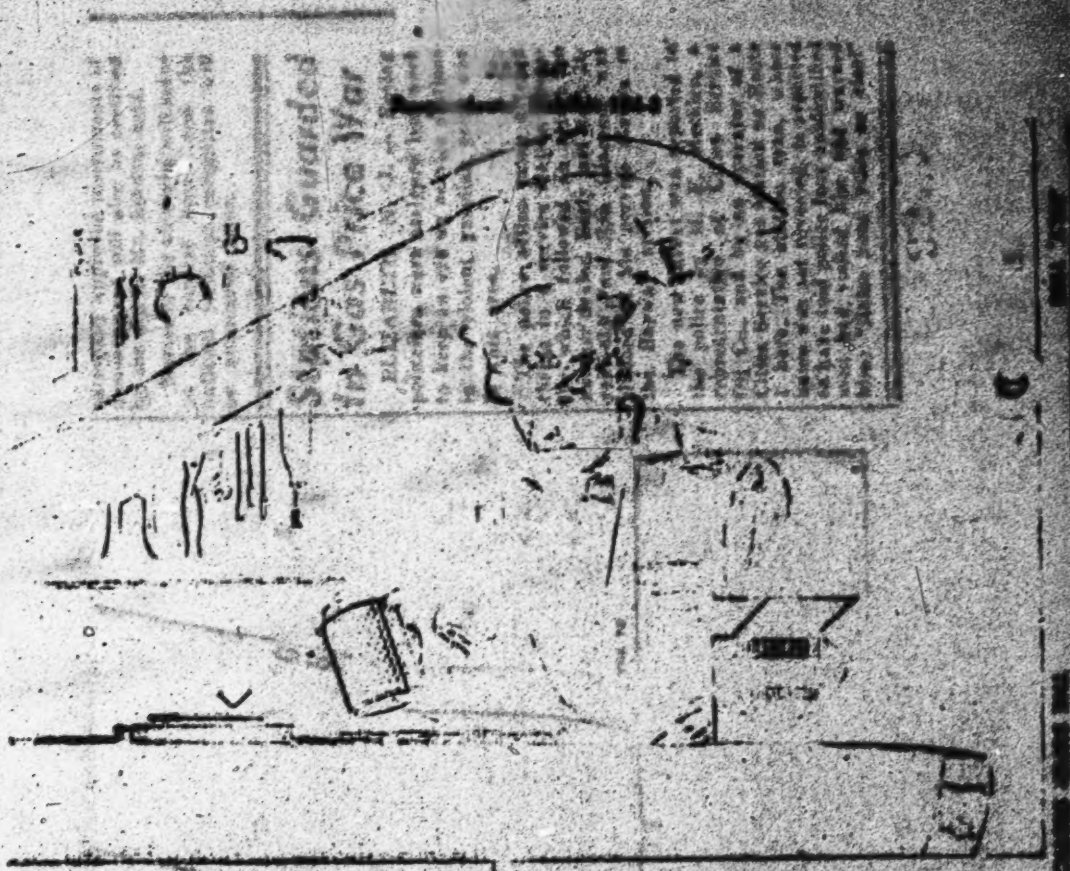
The Gates Rubber Co., Denver, Colorado

World's largest maker of V-belts

Gates Vulco V-Belts

JAX 648

Respondents' Exhibit 105



For clean oil all the time

... call for HASTINGS

9271

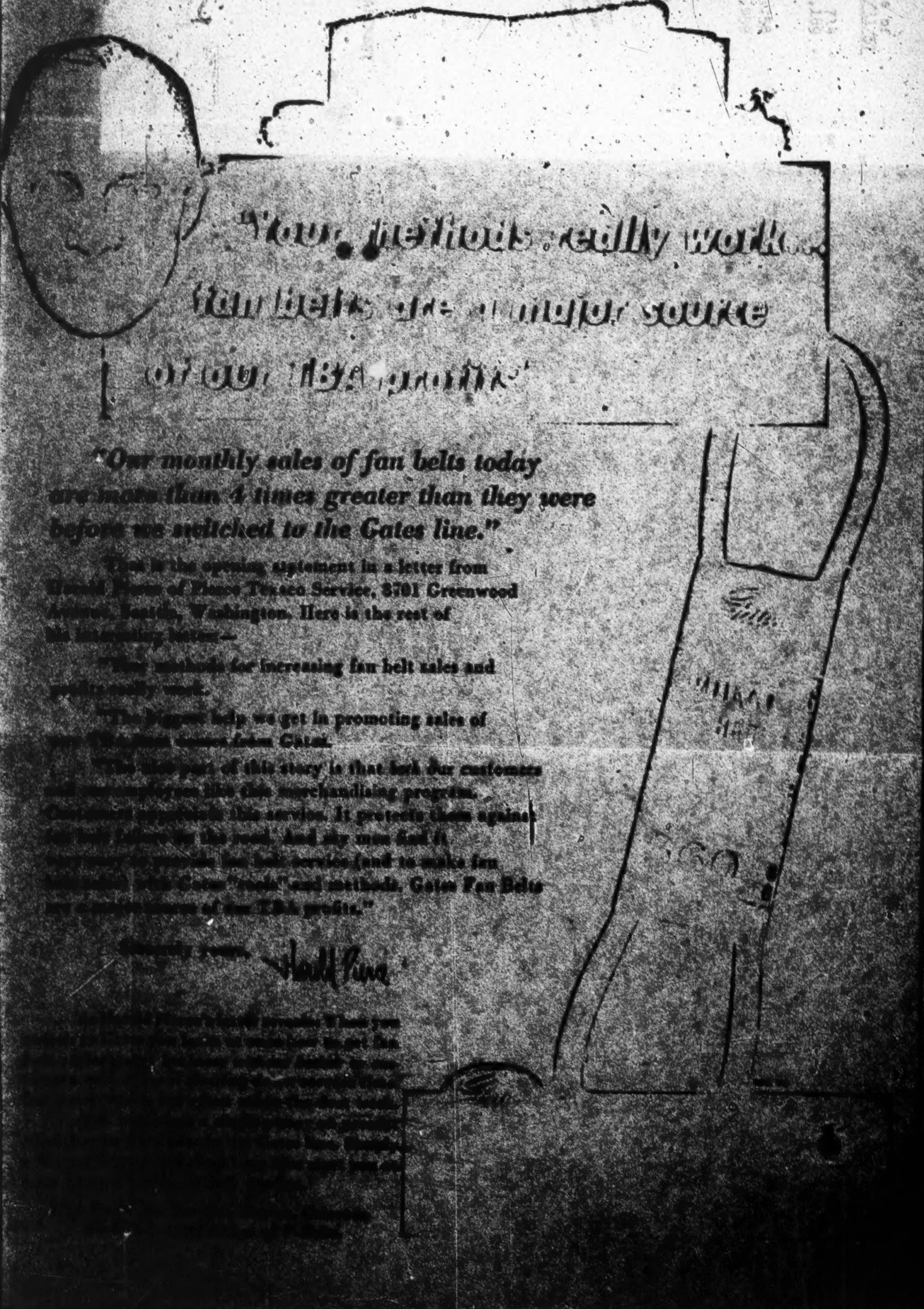
Hastings Oil Filter Cartridges keep oil clean from filter change to filter change*

Architect's Drawing of New Pure Oil Truck Station

RX-165

FEDERAL TRADE COMMISSION
DOCKET NO. 6485 EXHIBIT NO. 165
IN THE MATTER OF B F Goodyear Co
WITNESS [illegible]
DATE 1/[illegible]56

When this Pure Oil Co. station, shown in an architect's drawing, is opened at the Chicago Stock Yards, it will be one of the nation's most completely equipped truck stations. It is expected to be in operation this summer. Around-the-clock service will be provided. It will feature a 65-person capacity restaurant, a large lounge and 20 individual sleeping rooms, all air-conditioned. A 90-foot lubrication pit will be long enough to accommodate two truck-trailer units at one time. It will become part of a chain of Pure Oil truck stations that extends from Florida to Minnesota.



"Our monthly sales of fan belts today are more than 4 times greater than they were before we switched to the Gates line."

This is the opening statement in a letter from Harold Pierce of Pierce Texaco Service, 8701 Greenwood Avenue, Seattle, Washington. Here is the rest of his interesting letter—

"Your methods for increasing fan belt sales and profits really work.

"The biggest help we get in promoting sales of [illegible] comes from Gates.

"The best part of this story is that both our customers and our employees like this merchandising program. Customers appreciate this service. It protects them against fan belt failure on the road. And my men find it [illegible] to promote fan belt service (and to make fan [illegible]) with Gates 'tools' and methods. Gates Fan Belts are a major source of our TBA profits."

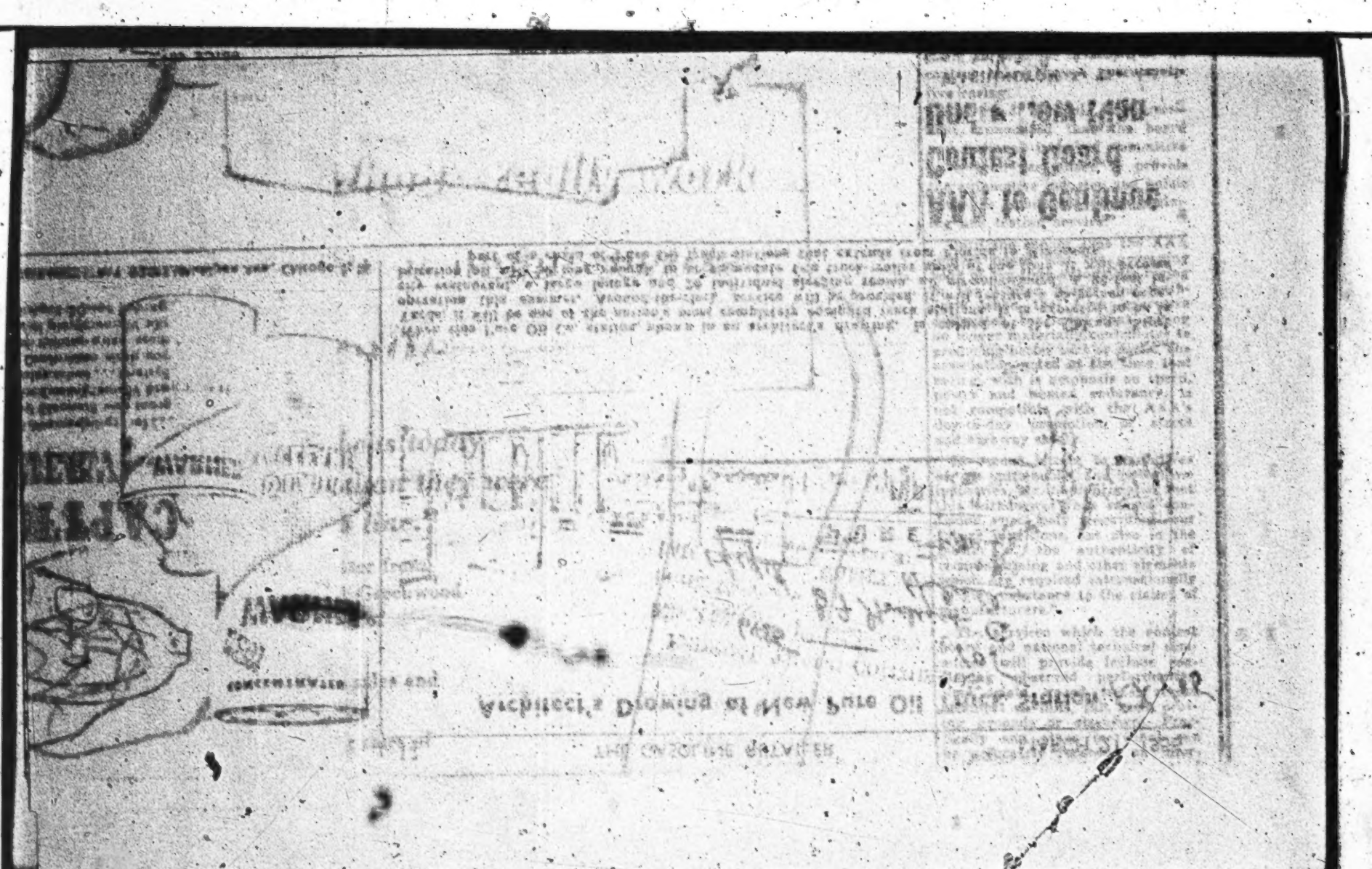
Sincerely yours,
Harold Pierce

AAA to Continue Contest Board Under New Plan

WASHINGTON — The American Automobile Association is going to continue activities of its contest board except in competitive racing.

Andrew J. Sordoni, AAA president, announced that the board and national technical committee have been [illegible] to provide the automobile industry and public with "an unbiased, authentic [illegible] and testing service."

Until the end of 1955 the AAA contest board [illegible]



JAN 6 [illegible]

Respondents' Exhibit 106

R-106-id

THE B.F. GOODRICH COMPANY

THE NUMBER OF OIL COMPANY OUTLETS SERVED BY THE B.F. GOODRICH TIRE COMPANY ON WHOSE PURCHASES COMMISSION WAS PAID

	As of 12/31/56	As of 12/31/57
The Texas Company		
Direct		
Factory or District	838	714
Through BPCS	1,149	1,189
Indirect		
Through Distributors	2,954	3,156
TOTAL OUTLETS	4,935	5,059

FEDERAL TRADE COMMISSION
DOCKETED EXHIBIT No. 106
IN THE MATTER OF B.F. Goodrich Co.
DATE 1/31/58
ACE REPORTING CO.

SALES OPERATING DEPARTMENT
1/31/58

Respondents' Exhibit 106

THE T. R. COOPERSON COMPANY

THE MODERN OIL COMPANY OPERATED STATION [illegible] T. R. COOPERSON
THE COMPANY ON WHOSE PURCHASES COMMISSION WAS PAID

The Texas Company	As of 12/31/40	As of 12/31/41
Plants		
Factory or Plants	398	218
Through Jobs	1,449	1,185
Indirect		
Through Distributors	2,994	2,155
TOTAL OUTLETS	4,838	3,558

SALES OPERATING DEPARTMENT
1/31/42

JAX 650

Respondents' Exhibit 109A

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of

THE B. F. GOODRICH COMPANY,
a corporation, and

THE TEXAS COMPANY,
a corporation.

DOCKET NO. 6485.

FEDERAL TRADE COMMISSION
Docket No. 6485 Exhibit No. 109A
In the Matter of: B. F. Goodrich
Date 7/18/62 Witness Reporter

To HONORABLE EARL J. KOLB, Hearing Examiner

Respondents Texaco moves for the issuance of subpoenas duces tecum, for the reasons stated in the annexed statement, returnable the 30th day of July, 1962, addressed to the companies listed on Exhibits annexed hereto, requiring the production by said companies of records reflecting the following information:

(1) With respect to the companies listed on Exhibit A, the actual sales figures for new replacement tires sold by each of the corporations listed in the years 1951 through 1956.

(2) With respect to the companies listed on Exhibit B, all contracts and agreements, memoranda thereof, or other writings showing or relating to or reflecting arrangements whereby commissions on sales of tires, and/or batteries,

JAN 680

Respondents' Exhibit 1092A

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of

B. F. GOODRICH COMPANY,
a corporation, and

THE TIRE COMPANY,
a corporation.

DOCKET NO. 6485.

To GORDANES KAY, J. ROIS, Hearing Examiner

Respondents' notice for the issuance of subpoenas duces tecum.

For the reasons stated in the enclosed statement, returnable the 30th day of July, 1952, addressed to the companies listed on Exhibits annexed hereto, requiring the production by said companies of records reflecting the following information:

(1) With respect to the companies listed on Exhibit A, the actual sales figures for new replacement tires sold by each of the corporations listed in the years 1951 through 1952.

(2) With respects to the companies listed on Exhibit B, all contracts and agreements, memoranda thereof, or other writings showing or relating to or reflecting arrangements whereby commissions on sales of tires, and/or batteries,

JAX 651
Respondents' Exhibit 1698

FEDERAL TRADE COMMISSION
Docket No. 6455 Exhibit No. 1698

and/or accessories were paid directly or indirectly to any oil company, of any distributor of oil company products, or any dealer in oil company products for the years 1950-1956.

We also request the issuance of 20 subpoenas ad testificandum in blank to be filled in by applicant by July 20, 1962.

Dated: July 19, 1962.

Amzy B. Stead
James O. Sullivan

Royall, Koegel, Harris & Caskey
by Kenneth C. Royall

Frederick W. F. Lorenzen
Attorneys for Plaintiff
Texaco Inc.

White & Case
By Edgar E. Barton

Attorneys for Plaintiff
The B. F. Goodrich Company

FEDERAL TRADE COMMISSION
docket No. 6147 - Respondents Exhibit No. 1028

-2-

and/or accessories were paid directly or indirectly to any oil company, or any distributor of oil company products, or any dealer of oil company products for the years 1930-1936.

We also request the issuance of 20 subpoenas ad testificandum in blank to be filled in by applicant by July 20, 1938.

Dated: July 19, 1938.

Amy S. Steed
James O. Sullivan

Royall, Koegel, Morris & Caskey
by Kenneth C. Royall

Frederick W. F. Lorenzen
Attorneys for Plaintiff
Texaco Inc.

Keith E. Cone
by Edgar E. Barton

Attorneys for Plaintiff
The B. F. Goodrich Company

JAX 652

Respondents' Exhibit 189C

FEDERAL TRADE COMMISSION

EXHIBIT A

FEDERAL TRADE COMMISSION

Docket No. 6445 Exhibit No. 189C

CORPORATION

Goodyear Tire & Rubber Company
Akron
Ohio

Firestone Tire and Rubber Company
1200 Firestone Parkway
Akron 17, Ohio

Sears, Roebuck and Co.
925 South Homan Avenue
Chicago 7, Illinois

United States Rubber Company
1230 Avenue of the Americas
New York 20, New York

Montgomery Ward & Co., Incorporated
619 West Chicago Avenue
Chicago 7, Illinois

The General Tire & Rubber Company
1708 Englewood Avenue,
Akron 9, Ohio

Armstrong Tire & Rubber Company
475 Elm Street
West Haven 16, Connecticut

Lee Rubber & Tire Corp.
Conshohocken,
Pennsylvania

Gulf Oil Corporation
Gulf Tire & Supply Company, a
wholly owned subsidiary
Gulf Building
Pittsburgh 30, Pennsylvania

Seiberling Rubber Co.
Akron 9,
Ohio

Socony Mobil Oil Company, Inc.
150 East 42nd Street
New York 17, New York

Dunlop Tire & Rubber Corp.
Buffalo
New York

Mansfield Tire & Rubber Company
515 Newman Street
Mansfield, Ohio

Dayton Corp.
333 West First Street
Dayton 1, Ohio

Cooper Tire & Rubber Co.
Findlay
Ohio

Western Auto Supply Company

Atlas Supply Company

EXHIBIT A

FEDERAL TRADE COMMISSION
Docket No. 7[illegible]

CORPORATIONS

Goodyear Tire & Rubber Company
Akron
Ohio

Firestone Tire and Rubber Company
1200 Firestone Parkway
Akron 17, Ohio

Sears, Roebuck and Co.
925 South Homan Avenue
Chicago 7, Illinois

United States Rubber Company
1230 Avenue of the Americas
New York 20, New York

Montgomery Ward & Co., Incorporated
618 West Chicago Avenue
Chicago 7, Illinois

The General Tire & Rubber Company
1708 Englewood Avenue,
Akron 9, Ohio

Armstrong Tire & Rubber Company
475 Elm Street
New Haven 10, Connecticut

Lee Rubber & Tire Corp.
Conshohocken,
Pennsylvania

Gulf Oil Corporation
Gulf Tire & Supply Company, a
wholly owned subsidiary
Gulf Building
Pittsburgh 30, Pennsylvania

Goodyear Rubber Co.
Akron 9,
Ohio

Socony Mobil Oil Company, Inc.
150 East 42nd Street
New York 17, New York

Dunlop Tire & Rubber Corp.
Buffalo
New York

Mansfield Tire & Rubber Company
515 Newman Street
Mansfield, Ohio

Dayton Corp.
333 West First Street
Dayton 1, Ohio

Cooper Tire & Rubber Co.
Findlay
Ohio

Western Auto Supply Company

Atlas Supply Company

JAX 653

Respondents' Exhibit 168D

EXHIBIT B

CORPORATION

The General Tire & Rubber Company
1708 Englewood Avenue
Akron-9, Ohio

Armstrong Tire & Rubber Company
475 Elm Street
West Haven 16, Connecticut

Lee Rubber & Tire Corp.
Conshohocken
Pennsylvania

Seiberling Rubber Co.
Akron 9
Ohio

Dunlop Tire & Rubber Corp.
Buffalo
New York

Mansfield Tire & Rubber Company
515 Newman Street
Mansfield, Ohio

Dayton Corp.
333 West First Street
Dayton 1, Ohio

Cooper Tire & Rubber Co.
Findlay
Ohio

JAX 8M

Respondents' Exhibit 100D

FEDERAL TRADE COMMISSION

DOCKET NO. [illegible]

EXHIBIT 2

CORPORATION

The General Tire & Rubber Company
1708 Englewood Avenue
Akron 9, Ohio

Armstrong Tire & Rubber Company
275 Elm Street
West Haven 16, Connecticut

Lee Rubber & Tire Corp.
Conshohocken
Pennsylvania

Seiberling Rubber Co.
Akron 9
Ohio

Dunlop Tire & Rubber Corp.
Buffalo
New York

Mansfield Tire & Rubber Company
515 Newman Street
Mansfield, Ohio

Dayton Corp.
333 East First Street
Dayton 1, Ohio

Cooper Tire & Rubber Co.
Findlay
Ohio

JAX 654

'Respondents' Exhibit 109E

FEDERAL TRADE COMMISSION

Docket No. 6785 Respondents' Exhibit No. 109E

not official transcript

MR. SUTLIFFE: [illegible] I feel that I have been intimately [illegible] of TEXACO and as counsel for TEXACO I think [illegible] to you, your Honor, exactly how we find [illegible] today. I feel that there have been some remarks made during the course of this week, your Honor, that might imply the Respondents have been employing dilatory tactics in connection with these hearings.

Under the circumstances present here in this [illegible] we firmly believe that such remarks are wholly and [illegible]

REASONS FOR GRANTING MOTIONS FOR SUBPOENA

Consider for a minute the posture, if you will, that TEXACO finds itself in. For reasons which have been expressed to your Honor we believe that the Complaint counsel in this proceeding is wrong and we have fought demonstrably in several courts and indeed are still fighting in courts today to establish we feel that our basic rights have been violated.

Having no alternative we have appeared at this hearing to defend against what we believe would be further evidence on the rather all-encompassing issue here of competitive effects.

D Now, instead of a procession of evidence through the mouths of witnesses which we are convinced we would have been able to meet through and during through cross-examination we were met we feel with an unprecedented extension of the doctrine of official notice. This we believe has had the undoubted effect of shifting the entire burden [illegible] and

MR. SULLIVAN: If your Honor please, I am speaking this morning because I feel that I have been intimately thrown into the position of TEXACO and as counsel for TEXACO I think I can fairly state to you, your Honor, exactly how we find ourselves today. I feel that there have been some remarks made during the course of this week, your Honor, that might imply that Respondents have been employing dilatory tactics in connection with these hearings.

Under the circumstances pregent here in this remand we firmly believe that such remarks are wholly unwarranted.

Consider for a minute the posture, if you will, that TEXACO finds itself in. For reasons which have been expressed to your Honor we believe that the Commission's remand order in this proceeding is illegal, and we have fought desperately in several courts and indeed are still fighting in courts today to establish the point that our basic rights have been violated.

Having no alternative we have appeared at this hearing to defend against what we believe would be further evidence on the rather all-encompassing issue here of competitive affects.

Now, instead of a proffer of evidence through the mouths of witnesses which we are convinced we would have been able to meet through and destroy through cross-examination we were met we feel with an unprecented extension of the doctrine of official notice. This we believe has had the undouted effect of shifting the entire burden of proof and

FEDERAL TRADE COMMISSION

Docket No. 4257 Date 12/6/57

MR. SULLIVAN: If your Honor please, I am speaking this morning because I feel that I have been intimately thrown into the position of TEXACO and as counsel for TEXACO, I think I can fairly state to you, your Honor, exactly how we find ourselves today. I feel that there have been some remarks made during the course of this week, your Honor, that might imply that Respondents have been employing dilatory tactics in connection with these hearings.

Under the circumstances present here in this record we firmly believe that such remarks are wholly unwarranted.

Consider, for a minute the posture, if you will, that TEXACO finds itself in. For reasons which have been expressed to your Honor we believe that the Commission's issued order in this proceeding is illegal and we have sought desperately in several courts and judges are still fighting in courts today to establish the point that our basic rights have been violated.

Having no alternative we have appeared at this hearing to defend against what we believe would be further evidence on the rather all-encompassing issue here of competitive effects.

Now, instead of a proffer of evidence through the mouths of witnesses which we are convinced we would have been able to meet through and destroy through cross-examination we were met we feel with an unprecedented extension of the doctrine of official notice. This we believe has had the undoubted effect of shifting the entire burden of proof and

the burden of going forward with these hearings to the Respondents.

Now, this we contend is completely foreign to the American system of jurisprudence.

On July 17, after the Commission counsel in support of this complaint rested his case, TEXACO informed your Honor that it would require at least until July 23 at 10 a.m. in which to make a determination as to whether or not it would rebut the 3 tables from the Firestone case.

Our position with respect to the 3 tables has been explained in detail to your Honor on July 16 and July 17. However, so there can be no mistake, TEXACO believes that to admit compounded hearsay against a respondent without any foundation testimony whatsoever and without the right of cross-examination and the consequent shifting of the entire burden of proof contervenes all applicable Constitutional and statutory requirements.

Now, the first table of which your Honor has taken official notice purports to show the arrangement between 18 oil companies and some 11 tire companies with respect to the marketing of "private brand tires" under the "purchase-resale plan."

Now, the second table purports to show the products offered for sale by 18 rubber companies, and the third table based upon a survey taken by individuals unknown who never appeared in Court purports to show replacement tire purchases by automobile owners in 1954.

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This collection of hearsay material which was rightly

described as being worthless and unreliable by the Commission counsel in the Firestone case has now been officially noticed pursuant to what we contend is an illegal remand which call for the taking of evidence on market data from which an assessment might be made as to the competitive affects of the sales commission plan.

Now, it is TEXACO's position that the sum total of the 3 tables adds up to zero when measured against any probative evidence standard.

However, TEXACO is entitled to a reasonable opportunity to make a determination as to whether it will exercise its undoubted right to introduce rebuttal evidence. We could go two ways on rebuttal evidence, as I see it, your Honor.

We could attempt to introduce or proffer to your Honor what we believe would be equally unreliable and meaningless, statistics culled from various sources, various periodicals and so forth, or, a rebuttal could consist of a frontal attack on the statistics and each of them which were officially noticed by your Honor.

Now, considering the fact that the motion asking your Honor to take official notice was not received until July 11 and was not granted in part at least until July 18, we believe that the essence of fair play and due process calls for reasonable opportunity to make a decision in this matter. It is not a decision that can be made in 48 hours. It is a decision we believe which requires mature reflection.

Now, if we decide to rebut it is our present judgment that an effective rebuttal would require the production of

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Now, if we decide to rebut it is our present judgment that an effective rebuttal would require the production of

documents from and the taking of testimony from many, if not all, of the companies listed on the 3 tables.

Now, to illustrate, if we attempt to and decide to attack the accuracy of Table No. 3, the survey, which purports to reflect replacement tire purchases in the year 1954, we find this your Honor: We find that to our knowledge there is no other comparable survey in existence for the year 1954, and we also find, if your Honor please, through inquiries that the information, the exact figures or nearly exact figures which would be required in order to rebut this table, are considered by the tire companies, small and large, as trade secrets, which we are informed they will not voluntarily divulge.

Now, this means that if we determine on this course we are going to be forced to request the issuance of subpoena duces tecum and subpoenas ad testificandum to individuals in and to all of the companies listed on the exhibits in an attempt to obtain accurate figures.

Now, this, of course, unfortunately would be an immense and a time-consuming undertaking, but it would be an undertaking, your Honor, which is not of our making. In addition, if we determine to make a rebuttal as to the other companies we would give serious consideration to the presentation of testimony, documentary and otherwise, as to the sales commission plans which other companies, tire companies, that is, such as Generd, Seiberging, Dayton, Leo, Gates and Dunlop have with other oil companies.

To illustrate further, we must consider the

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possibility of attempting to show through statistics, the overall effect of the sales commission method of distribution, and the steady decline in the market shares during the period from 1946 through 1961 by those tire companies which utilize the sales commission plan.

Now, the foregoing illustrations are meant your Honor to point up the enormous undertaking which we have been confronted with here and which has been thrust upon us by this shifting of the burden of the proof.

Now, the material of which I speak, your Honor, can not be obtained in some magic drawer or through the pushing of some automatic button. It is going to require a lengthy and costly production of material by process of this Court, and the further complication of making this decision is to whether or not we wish to undertake what would be a further expensive proceeding.

Now, I believe your Honor can see from the foregoing that it is an impossibility for TEXACO to proceed with such an immense undertaking at the very minimum until Monday morning at 10 o'clock. And we respectfully urge your Honor to put this matter over until Monday morning at 10 o'clock to give us this opportunity to come to this decision as to whether or not we are going to call for the issuance of all these subpoenas which is the only course apparently open to us.